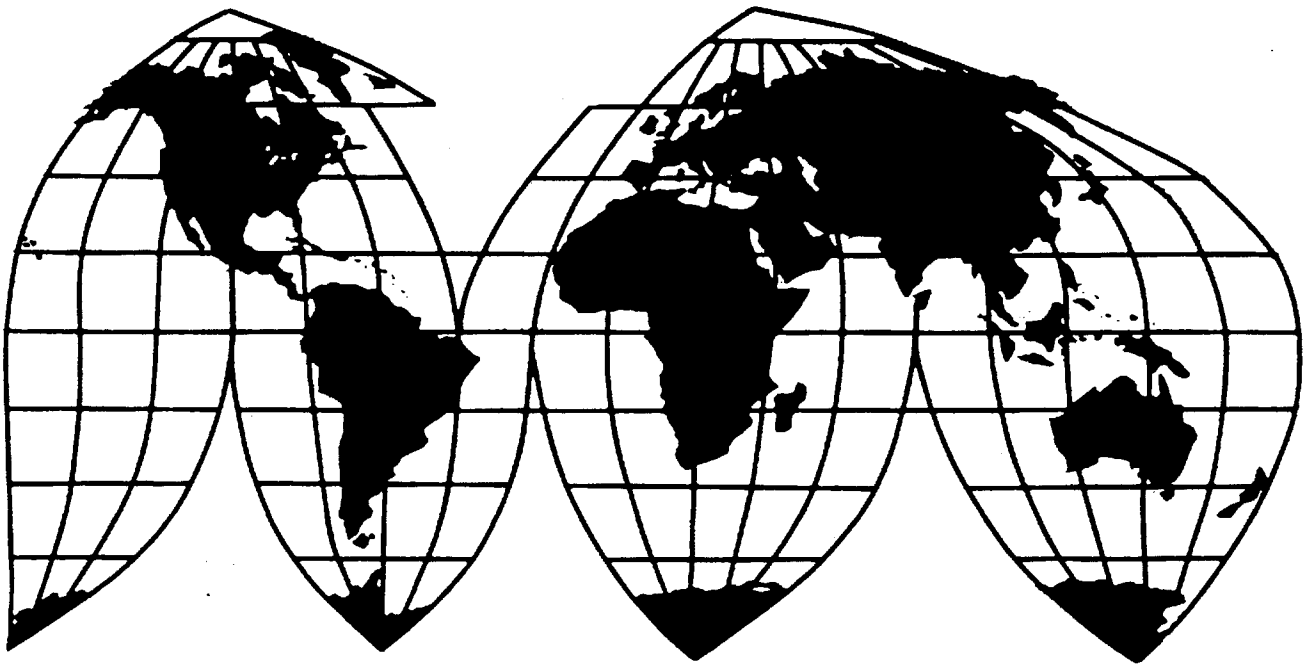
Ironing Tables and Certain Parts Thereof From China

Investigation No. 731-TA-1047 (Final)

Publication 3711 **July 2004**

U.S. International Trade Commission



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Note.–Information that would reveal confidential operations of individual concerns may not be published and therefore has been deleted from this report. Such deletions are indicated by asterisks.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Investigation No. 731-TA-1047 (Final)

IRONING TABLES AND CERTAIN PARTS THEREOF FROM CHINA

DETERMINATION

On the basis of the record[1] developed in the subject investigation, the United States International Trade Commission (Commission) determines, pursuant to section 735(b) of the Tariff Act of 1930 (19 U.S.C. § 1673d(b)) (the Act), that an industry in the United States is materially injured by reason of imports from China of ironing tables and certain parts thereof, provided for in subheadings 9403.20.00 and 9403.90.80 of the Harmonized Tariff Schedule of the United States, that have been found by the Department of Commerce (Commerce) to be sold in the United States at less than fair value (LTFV).[2]

BACKGROUND

The Commission instituted this investigation effective June 30, 2003, following receipt of a petition filed with the Commission and Commerce by Home Products International, Inc. (HPI), Chicago, IL. The final phase of the investigation was scheduled by the Commission following notification of a preliminary determination by Commerce that imports of ironing tables and certain parts thereof from China were being sold at LTFV within the meaning of section 733(b) of the Act (19 U.S.C. § 1673b(b)). Notice of the scheduling of the final phase of the Commission's investigation and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the *Federal Register* of March 8, 2004 (69 F.R 10753) and March 8, 2004 (69 F.R. 16954). The hearing was held in Washington, DC, on June 16, 2004, and all persons who requested the opportunity were permitted to appear in person or by counsel.

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[1] The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR § 207.2(f)).

[2] Commissioner Daniel R. Pearson determines that the domestic industry is threatened with material injury by reason of subject imports from China.

VIEWS OF THE COMMISSION

Based on the record in this investigation, we find that an industry in the United States is materially injured by reason of imports of ironing tables and certain parts thereof from China that are sold in the United States at less than fair value ("LTFV").[1]

I. BACKGROUND

Floor-standing metal-top ironing tables are used in households, hotel rooms, and workplaces for the purpose of pressing apparel and other textile items. Some ironing tables are also equipped with special features such as an iron rest or linen rack.[2] Ironing tables and their components are produced from flat-rolled steel and wire, as well as fasteners, foam, corrugated carton, shrink film, and cotton fabric.[3] Ironing tables have a mesh-top or perforated-top ironing surface and either a T-leg or a 4-leg stand.[4]

This petition was filed by Home Products International, Inc. ("HPI"), Chicago, IL, on June 30, 2003, alleging that an industry in the United States is materially injured and threatened with material injury by reason of LTFV imports of ironing tables and certain parts thereof from China.[5] [6] HPI is the sole remaining domestic producer, following Whitney Design's termination of its U.S. production of ironing tables in April 2002.

Domestic production of ironing tables is concentrated in perforated-top T-leg models, although a substantial minority of production is in mesh-top 4-leg models. Mesh-top 4-leg models have accounted for an increasing share of domestic production since the closure of Whitney Design's production operations, even though absolute production levels have declined. Declining production and capacity utilization between 2001 and 2003 reflect diminished production by both HPI and Whitney Design.[7]

Domestic production accounted for a large majority of the U.S. market for ironing tables in 2001, but declined significantly in both 2002 and 2003. Virtually all of the balance was accounted for by ironing tables from China.[8] Both HPI and Whitney Design imported subject merchandise from China during the period for which data were collected, but Whitney Design's imports were ***.[9]

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[1] Commissioner Daniel R. Pearson finds that an industry in the United States is threatened with material injury by reason of imports of ironing tables and certain parts thereof from China that are sold in the United States at less than fair value ("LTFV"). He joins sections I through IV.A. of these views. See his separate views for his evaluation of causation.

[2] Tr. at 21 (Mr. Graves); see also HPI's Producer Questionnaire Response at 28.

[3] Confidential Staff Report ("CR") at I-4 - I-5; Public Staff Report ("PR") at I-3 - I-4 (July 2, 2004).

[4] CR at I-4, PR at I-4.

[5] The merchandise subject to this investigation, floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof, is described by the Department of Commerce in its definition of the product scope.

[6] CR at I-1, PR at I-1.

[7] CR at III-2, PR at III-2.

[8] CR/PR at Table IV-4.

[9] CR at III-4, PR at III-3.

II. DOMESTIC LIKE PRODUCT

To determine whether an industry in the United States is materially injured or threatened with material injury by reason of imports of the subject merchandise, the Commission first defines the "domestic like product" and the "industry."[10] Section 771(4)(A) of the Tariff Act of 1930, as amended ("the Act"), defines the relevant domestic industry as the "producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[11] In turn, the Act defines "domestic like product" as "a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation."[12]

The decision regarding the appropriate domestic like product(s) in an investigation is a factual determination, and the Commission has applied the statutory standard of "like" or "most similar in characteristics and uses" on a case-by-case basis.[13] No single factor is dispositive, and the Commission may consider other factors it deems relevant based on the facts of a particular investigation.[14] The Commission looks for clear dividing lines among possible like products, and disregards minor variations.[15] Although the Commission must accept the determination of the Department of Commerce ("Commerce") as to the scope of the imported merchandise sold at less than fair value, the Commission determines what domestic product is like the imported articles that Commerce has identified.[16]

In its final determination with respect to subject imports from China, Commerce defined the imported merchandise within the scope of investigation as:

> floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in

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[10] 19 U.S.C. § 1677(4)(A).

[11] Id.

[12] 19 U.S.C. § 1677(10).

[13] See, e.g., NEC Corp. v. Department of Commerce, 36 F. Supp.2d 380, 383 (Ct. Int'l Trade 1998); Nippon Steel Corp. v. United States, 19 CIT 450, 455 (1995); Torrington Co. v. United States, 747 F. Supp. 744, 749 n.3 (Ct. Int'l Trade 1990), aff'd, 938 F.2d 1278 (Fed. Cir. 1991) ("every like product determination 'must be made on the particular record at issue' and the 'unique facts of each case'"). The Commission generally considers a number of factors including: (1) physical characteristics and uses; (2) interchangeability; (3) channels of distribution; (4) customer and producer perceptions of the products; (5) common manufacturing facilities, production processes, and production employees; and, where appropriate, (6) price. See Nippon, 19 CIT at 455, n.4; Timken Co. v. United States, 913 F. Supp. 580, 584 (Ct. Int'l Trade 1996).

[14] See, e.g., S. Rep. No. 96-249, at 90-91 (1979).

[15] Nippon Steel, 19 CIT at 455; Torrington, 747 F. Supp. at 748-49; see also S. Rep. No. 96-249, at 90-91 (1979) (Congress has indicated that the domestic like product standard should not be interpreted in "such a narrow fashion as to permit minor differences in physical characteristics or uses to lead to the conclusion that the product and article are not 'like' each other, nor should the definition of 'like product' be interpreted in such a fashion as to prevent consideration of an industry adversely affected by the imports under consideration.").

[16] Hosiden Corp. v. Advanced Display Mfrs., 85 F.3d 1561, 1568 (Fed. Cir. 1996) (Commission may find single domestic like product corresponding to several different classes or kinds defined by Commerce); Torrington, 747 F. Supp. at 748-52 (affirming Commission's determination of six domestic like products in investigations where Commerce found five classes or kinds).

a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this investigation.

Furthermore, this investigation specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this investigation, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means a product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, *e.g.* iron rest or linen rack. The term "incomplete" ironing table means a product shipped or sold as a "bare board" – i.e., a metal-top table only, without the pad and cover – with or without additional features, e.g. iron reset or linen rack. The major parts or components of ironing tables that are intended to be covered by this investigation under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The investigation covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or counter top models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under the new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope remains dispositive.[17] [18]

Ironing tables and their components are produced from flat-rolled steel and wire, as well as fasteners, foam, corrugated carton, shrink film, and cotton fabric. The principal components of an ironing table are its metal ironing surface, hangers, ribs, foot cover, slide bar, handle, hinge, and legs.[19]

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[17] 69 Fed. Reg. 35296, 35297 (June 24, 2004).

[18] We use the term "ironing tables" to distinguish the subject floor-standing metal-top product from "ironing boards," a term used to describe products excluded from the scope: countertop, tabletop, over-the-door, and wall-mounted ironing boards. Countertop or tabletop ironing boards are not produced domestically; they have a surface of particle board or expanded metal attached to short legs that may or may not be retractable, and are typically 30 to 32 inches in length and 12 inches in width. CR at I-4 n.10, PR at I-4 n.10.

[19] CR at I-5, PR at I-4.

Ironing tables have either a mesh-top or perforated-top ironing surface[20] and either a T-leg or a 4-leg stand.[21] A T-leg is made of a single metal tube that is shaped as an inverted "T" and inserted into a metal leg base. A 4-leg ironing table has two legs, each made of two metal tubes that run parallel to each other, flare out to form a 4-footed base on the floor, and typically have a cross brace at or near the flare or at the end of the tubes. In each system, users press a lever that allows the legs to drop down and subsequently raise the height of the table or fold flat for storage.[22]

In the preliminary phase of this investigation, the Commission determined that there was one domestic like product consisting of floor-standing, metal-top ironing tables, coextensive with the scope.[23] The Commission specifically stated in its preliminary phase opinion that it may reconsider the issue in the final phase of the investigation, but noted "that the parties must specify what, if any, additional data the Commission should collect before [it] issue[d] questionnaires."[24] No party specified any additional data that the Commission should collect, but in this final phase investigation Commission staff gathered data pertaining to over-the-door, wall-mounted and countertop boards.[25] Respondents argue in their briefs that the Commission should expand the domestic like product beyond the scope of the investigation to include over-the-door boards. Petitioner argues that the Commission should again find the same domestic like product as in the preliminary phase.

Physical characteristics and uses. Ironing tables and over-the-door ironing boards share the same functional role: to provide a surface area for pressing clothing and other items. Over-the-door boards consist of a metal ironing surface that is attached to a door, while ironing tables have legs. When in use, an over-the-door board is opened perpendicular to and supported by the door; when not in use, it is folded up against the door for storage. Over-the-door boards typically are 42 inches long and 15 inches wide, whereas ironing tables are typically 48 to 54 inches long and 13 to 18 inches wide. [26] Over-the-door boards are designed for users with space constraints, whereas ironing tables are more versatile and are much more flexible with respect to placement.[27]

Manufacturing facilities and production employees. Over-the-door ironing boards are produced in the United States exclusively by patent holder and petitioner HPI. The boards are produced in the

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[20] It is generally accepted that mesh-top tables allow for slightly greater steam penetration than perforated-top tables; thus, they are sometimes marketed as providing a better ironing result for the user. According to a test conducted by ***, steam escape was *** percent greater for a mesh-top ironing table than for a perforated-top ironing table. CR at I-6 & n.19, PR at I-5 & n.19. However, questionnaire responses do not generally indicate that the type of top is very important to many purchasers or individual consumers. CR at I-7, II-7 - II-8, PR at I-5, II-5. No party contends that mesh-top perforated-top ironing tables constitute separate domestic like products, and the record does not support a finding of separate like products.

[21] The 4-leg generally is considered superior to the T-leg because of increased stability and commands a somewhat higher price as a result. No party contends that T-leg and 4-leg ironing tables should constitute separate domestic like products, and the record does not support a finding of separate like products. CR at I-5, PR at I-4.

[22] CR at I-5, PR at I-4.

[23] Ironing Tables and Components Thereof from China, Inv. No. 731-TA-1047 (Preliminary), USITC Pub. 3623 (Aug. 2003), at 5. During the preliminary phase of the investigation, respondents stated that, in the event the investigation proceeds to the final phase, the Commission should expand the domestic like product to include over-the-door and wall-mounted ironing boards that are manufactured by the domestic producer. As noted above, there is no known domestic production of countertop or tabletop ironing boards. CR at I-9 & n.30, PR at I-7 & n.30.

[24] Ironing Tables, USITC Pub. 3623 at 6 n.24.

[25] See CR/PR at Tables C-2 (including over-the-door boards data), C-3 (including wall-mounted boards data) and C-4 (including countertop/tabletop boards data).

[26] CR at I-9 - I-10, PR at I-7.

[27] See Petitioner's Prehearing Brief at 8-10.

same facility and with the same employees as ironing tables. The equipment used to manufacture parts and pack over-the-door boards is the same that is used for floor-standing tables. However, different die and fabrication equipment is required for over-the-door boards due to their unique dimensions.[28]

Interchangeability and customer and producer perceptions. While one purchaser, ***, indicated that it believed that its customers considered ironing boards to be interchangeable with ironing tables, seven purchasers reported that they believed individual customers did not perceive ironing boards to be interchangeable with ironing tables, and four purchasers indicated that they were unaware of whether individual consumers perceived them to be interchangeable.[29] The two domestic producers disagree as to whether they are interchangeable. *** believes that an ironing board cannot substitute for an ironing table, as ironing boards are niche products appealing to consumers with living space constraints. *** asserts that ironing boards are interchangeable with ironing tables as they serve the same function and differ only in methods of storage and portability.[30]

Channels of Distribution. Over-the-door boards are sold in mass-market channels. Ironing tables are sold to mass retail stores and distributors servicing the hospitality/hotel market.[31]

Price. In 2003, the price for over-the-door boards (***) was slightly greater than the price for perforated-top T-leg ironing tables (***).[32] However, domestically produced ironing tables are sold at a range of prices up to $60.[33]

There is some overlap in terms of physical characteristics and uses, in that ironing tables and ironing boards are all designed to provide a surface to press clothes and other items, as well as some overlap with respect to manufacturing facilities and production employees, channels of distribution and price. However, there are substantial differences with respect to physical characteristics and uses, interchangeability, customer and producer perceptions, and price. On balance we find that the differences provide a sufficient dividing line between the two products and, therefore, we decline to expand the definition of the domestic like product to include over-the-door boards.[34] [35]

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[28] CR at I-10, PR at I-8.

[29] CR at I-10 - I-11, PR at I-8.

[30] CR at I-11, PR at I-7 - I-8.

[31] CR at I-11, PR at I-8.

[32] CR at I-12, PR at I-9.

[33] CR at I-5, PR at I-4.

[34] We do not include wall-mounted boards in the definition of the domestic like product. Wall-mounted boards are sold in kits or require a carpenter to build a customized cabinet on a wall in which the board is permanently enclosed. When used, the board drops down to expose the ironing surface, which is approximately 42 inches in length and 15 inches in width. CR at I-9 - I-10, PR at I-7 - I-8. Wall-mounted boards are produced at different facilities and with different employees than ironing tables. CR at I-10, PR at I-8. There are two known domestic manufacturers of wall-mounted boards: Iron-A-Way and Rev-A-Shelf. Neither firm produces over-the-door boards or ironing tables and neither responded to the Commission's questionnaire. Neither HPI nor Whitney Design produces or produced wall-mounted boards. CR at I-10 & n.38, PR at I-8 & n.38. Seven purchasers reported that they believed individual customers did not perceive ironing boards to be interchangeable with ironing tables, and four purchasers indicated that they were unaware of whether individual consumers perceived them to be interchangeable. CR at I-11, PR at I-8. Wall-mounted boards are sold through small businesses and occasionally through major distributors, CR at I-11, PR at I-8, and retail for between $100 - $500. CR at I-12, PR at I-9.

[35] Although joining the majority view on the definition of the domestic like product, Vice Chairman Okun and Commissioner Miller consider the issue to be a close one. They find a reasonable basis exists for concluding that the definition of the domestic like product should be expanded to include the over-the-door ironing boards. CR at I-9, PR at I-7. HPI, which holds a patent on over-the-door ironing boards, manufactures these boards in the same facility

(continued...)

In view of the above, we find, as the Commission did in the preliminary phase of the investigation, one domestic like product consisting of floor-standing, metal-top ironing tables, coextensive with the scope of the investigation.

III. DOMESTIC INDUSTRY AND RELATED PARTIES

The domestic industry is defined as "producers as a [w]hole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product."[36] In defining the domestic industry, the Commission's general practice has been to include in the industry all domestic production of the domestic like product, whether toll-produced, captively consumed, or sold in the domestic merchant market.[37]

The principal domestic industry issue in the final phase investigation concerns whether appropriate circumstances exist to exclude either of the two producers from the domestic industry pursuant to the statutory related parties provision codified in section 771(4)(B) of the Act. That provision of the statute allows the Commission, if appropriate circumstances exist, to exclude producers from the domestic industry that are related to an exporter or importer of subject merchandise or which are themselves importers.[38] Exclusion of any such producer is within the Commission's discretion based

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[35] (...continued)
with the same employees as where its ironing tables are produced, and there is overlap in channels of distribution. CR at I-9 - I-11, PR at I-7 - I-8. There is also overlap in price at least with respect to the lower priced ironing tables, CR at I-12, PR at I-9, and physical size is comparable. CR at I-4, I-9, PR at I-3, I-7. A majority of purchasers, however, do not find these ironing boards and ironing tables to be interchangeable. CR at I-10 - I-11, PR at I-8. Moreover, over-the-door boards are designed for users with space constraints, whereas ironing tables are more versatile and are much more flexible with respect to placement. CR at I-11, PR at I-8. Including the over-the-door ironing boards in the definition of the domestic like product does not change the volume and impact trends, and leads to the same affirmative determination of present material injury. Based on the data for the broader industry, subject imports' U.S. market share increased by *** percentage points from 2001 to 2003, while U.S. producers lost equivalent market share, and most financial and performance indicators of the domestic industry, including production, shipments, employment, sales, and operating income, declined sharply. CR/PR at Table C-2.

[36] 19 U.S.C. § 1677(4)(A).

[37] See United States Steel Group v. United States, 873 F. Supp. 673, 681-84 (Ct. Int'l Trade 1994), aff'd, 96 F. 3d 1352 (Fed. Cir. 1996).

[38] 19 U.S.C. § 1677(4)(B).

upon the facts presented in each case.[39] The purpose of the provision is to exclude domestic producers that substantially benefit from their relationships with foreign exporters.[40]

No party has argued that either HPI or Whitney Design, Inc. should be excluded from the domestic industry as a related party.[41] However, both are related parties in that they imported subject merchandise throughout the period examined. In the preliminary phase of the investigation, the Commission found that appropriate circumstances did not exist to exclude either producer from the domestic industry.[42] There is no new information on the record indicating that exclusion of either producer is appropriate; therefore, as in the preliminary phase of the investigation, we find that appropriate circumstances do not exist to exclude HPI or Whitney Design from the domestic industry.[43]

IV. MATERIAL INJURY BY REASON OF LESS THAN FAIR VALUE IMPORTS[44]

A. Conditions of Competition

Several conditions of competition are pertinent to our analysis.

1. Demand

Demand, as measured by apparent U.S. consumption, was relatively stable over the period examined. Apparent U.S. consumption was *** units in 2001, *** units in 2002 and *** units in 2003.

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[39] Sandvik AB v. United States, 721 F. Supp. 1322, 1331-32 (Ct. Int'l Trade 1989), aff'd without opinion, 904 F.2d 46 (Fed. Cir. 1990); Empire Plow Co. v. United States, 675 F. Supp. 1348, 1352 (Ct. Int'l Trade 1987). The primary factors the Commission has examined in deciding whether appropriate circumstances exist to exclude the related parties include: (1) the percentage of domestic production attributable to the importing producer; (2) the reason the U.S. producer has decided to import the product subject to investigation, i.e., whether the firm benefits from the LTFV sales or subsidies or whether the firm must import in order to enable it to continue production and compete in the U.S. market; and (3) the position of the related producers vis-a-vis the rest of the industry, i.e., whether inclusion or exclusion of the related party will skew the data for the rest of the industry. See, e.g., Torrington Co. v. United States, 790 F. Supp. 1161, 1168 (Ct. Int'l Trade 1992), aff'd without opinion, 991 F.2d 809 (Fed. Cir. 1993). The Commission has also considered the ratio of import shipments to U.S. production for related producers and whether the primary interests of the related producers lie in domestic production or in importation. See, e.g., Melamine Institutional Dinnerware from China, Indonesia, and Taiwan, Inv. Nos. 731-TA-741-743 (Final), USITC Pub. 3016 (Feb. 1997) at 14, n.81.

[40] USEC, Inc. v. United States, 132 F. Supp.2d 1, 12 (Ct. Int'l Trade 2001).

[41] HPI specifically argues that neither it nor Whitney Design should be excluded as a related party. HPI's Prehearing Brief at 13-16. Respondents Whitney Design, Polder and Harvest International Housewares make the same argument. Respondent Whitney Design et al.'s Prehearing Brief at 10; Respondent Whitney Design et al.'s Posthearing Brief at 2.

[42] Ironing Tables, USITC Pub. 3623 at 7-8.

[43] See CR/PR at Table IV-2; CR/PR at Tables III-4 - III-5; CR at III-4 - III-5, PR at III-2 - III-3; compare CR/PR at Table III-4 with CR/PR at Table IV-1; compare CR/PR at Table III-6 with CR/PR at Table IV-2; compare CR/PR at Table IV-1 with CR/PR at Table IV-2; see Whitney Design's Producer Questionnaire Responses (Preliminary Phase); see HPI's Producer Questionnaire Responses (Preliminary Phase). See also USEC, Inc. v. United States, 132 F. Supp. 2d 1, 12 (Ct. Int'l Trade 2001) ("the [related party] provision's purpose is to exclude from the industry headcount domestic producers substantially benefitting from their relationships with foreign exporters"), aff'd, Slip Op. 01-1421 (Fed. Cir. Apr. 22, 2002).

[44] We find that subject imports from China are not negligible under 19 U.S.C. § 1677(24). See CR/PR at Table IV-1.

It was *** units in interim 2003 and *** units in interim 2004.[45] The market for ironing tables is described as a mature one, with only modest annual growth.[46]

Based on available information, the overall demand for ironing tables is likely to exhibit little change in response to changes in price. Although some purchasers reported that nonsubject ironing boards could be substituted for ironing tables, the infrequent and long-lasting nature of consumer purchases of ironing tables suggests a low degree of price sensitivity.

There are a range of ironing tables with varying features and price points.[47] During the period for which data were collected, far more lower-priced models entered the U.S. market as compared to higher-priced models.[48] More than three-quarters of ironing tables consumed in the United States reportedly are in the opening price point category. Ironing tables in the elite/upper-end category were neither domestically produced nor imported from China during this period.[49] [50]

Additionally, over the period, there was increased concentration among buyers as the number of retail purchasers fell. Department stores such as Ames, Bradley, Caldor, Service Merchandise, and Venture have exited the market, and Kmart entered bankruptcy (and closed a number of stores).[51] Now, only a few mass merchandisers dominate direct sales to consumers,[52] facilitating purchasers' ability to seek price adjustments, which they do periodically.[53]

2. Supply

As stated above, two companies comprise the domestic industry: HPI and Whitney Design. HPI opened a new plant in El Paso, Texas to produce ironing tables in January 2000, but terminated

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[45] CR/PR at Table IV-4.

[46] CR at II-4, PR at II-3. There is some evidence in the record that factors such as workplace trends toward casual or wrinkle-free clothing may constrain demand at the consumer level. CR at II-4, PR at II-3.

[47] HPI describes the value/opening price-point ("OPP") table, a perforated-top or mesh-top T-leg table, as costing $15 or less. It describes a "good" table, such as a mesh-top 4-leg table, as costing $15 to $25; a "better" table, such as a mesh-top 4-leg table with iron rest or other added feature, as costing $20 to $50; and a "best" table, such as a mesh-top 4-leg table with a wider top, multiple built-in features and chrome metal parts as costing $30 to $60. According to HPI, the elite/upper-end table, such as a mesh-top 4-leg table with a wider top, more stable surface and more accessories, costs $70 or more. CR at I-5, PR at I-4. One importer, Polder, describes these categories somewhat differently. It describes entry-level T-leg ironing tables as being sold on promotion for $10 to $15; standard tables with 4 legs as selling for approximately $20 to $25; mid-price tables, which are longer, wider or built with heavier construction and have an additional feature such as a clothes rack, as selling for approximately $30 to $50; and upper-end ironing tables with multiple enhancement features as retailing for $75 to $120. CR at I-5 n.14, PR at I-4 n.14.

[48] CR/PR at Tables IV-2 & IV-3.

[49] CR at I-6, PR at I-5.

[50] Ironing table sales may involve "bundling" with other products, especially other laundry products, but these sales are estimated to account for at most 15 percent of ironing table sales. CR at V-4 - V-5, PR at V-3 - V-4. The record suggests that this practice has limited impact on the price of ironing tables in view of the small percentage of the market affected. See, e.g., CR at V-6 n.21, PR at V-4 n.21 (little difference between unit values of all sales and those of unbundled sales).

[51] CR at II-2, PR at II-1.

[52] CR at II-2, PR at II-1.

[53] CR at V-2, PR at V-1. While ironing tables are generally purchased at discrete pricing events such as line reviews and internet reverse auctions, the record indicates that prices are adjusted at other times as well. CR at V-2, PR at V-1.

production and relocated certain production equipment to another plant in the first quarter of 2001.[54] Whitney Design closed its ironing table production facility in April 2002 ***.[55]

The domestic industry's share of the ironing tables market declined steadily and significantly between 2001 and 2003. It was *** percent in 2001, *** percent in 2002 and *** percent in 2003.[56] Sales of ironing tables from nonsubject countries are almost nonexistent and consist mostly of higher-value products.[57] Nonsubject import market share, as measured by quantity, was *** percent in 2001, *** percent in 2002 and *** percent in 2003.[58]

The domestic industry, even after the exit of Whitney Design in April 2002, has *** capacity to supply the U.S. market.[59] HPI has the ability to manufacture significant quantities of mesh-top ironing tables as well as perforated-top tables; HPI's Indiana facility has two plants for producing the domestic like product: one for perforated-top tables and one for mesh-top tables.[60] In 2003, HPI manufactured *** mesh-top tables and *** perforated-top tables.[61] It reportedly has the capacity to manufacture *** mesh-top tables and *** perforated-top tables annually.[62] Nonetheless, subject imports captured nearly *** of the U.S. market in 2003.[63]

3. Substitutability

There is a relatively high degree of substitutability between domestic ironing tables and subject imports.[64] Producers, importers and purchasers are in general agreement that the domestic and Chinese products are substitutable, with the vast majority of all market participants (including major retailers such as ***) reporting that they were always interchangeable.[65] [66]

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[54] The El Paso facility is still operational. After HPI ***, however, it converted the *** square feet of ironing table manufacturing area into warehouse space. CR/PR at III-1 n.2.

[55] CR/PR at III-1.

[56] CR/PR at Table IV-4.

[57] See CR at I-6, PR at I-5.

[58] CR/PR at Table IV-4.

[59] In 2003, HPI's capacity was *** units. CR/PR at Table III-2. Apparent U.S. consumption was *** units that year. CR/PR at Table IV-4.

[60] Petitioner's Posthearing Brief at A-11; Verification Report at 3.

[61] CR/PR at Table III-3.

[62] CR at III-2 n.5, PR at III-2 n.5.

[63] Subject import market share was *** percent in 2003. CR/PR at Table IV-4.

[64] CR at II-5, PR at II-3.

[65] CR/PR at Table II-2 & n.3. While *** has expressed a preference for mesh-top ironing tables over perforated-top ironing tables, it has stated in its questionnaire response that U.S. produced and imported Chinese products are interchangeable. ***'s Purchaser Questionnaire Response; *** Final Comments at 1-3.

[66] Commissioner Pearson recognizes that the vast majority of responding purchasers reported that U.S.-produced and imported Chinese ironing tables were always interchangeable. However, he notes that three of 15 responding purchasers (***) reported that differences in quality between mesh-top and perforated-top ironing tables were "very" important, and three purchasers (***) reported that such differences are "somewhat" important. CR at II-8, PR at II-5. This suggests that, while most purchasers may view domestic and imported Chinese mesh-top ironing tables to be interchangeable, some purchasers (***) believe that quality differences between domestic perforated-top and imported Chinese mesh-top ironing tables are important. *** has repeatedly argued that it has a definite preference for mesh-top T-leg ironing tables over perforated-top T-leg ironing tables. In fact, *** notes that HPI's own

(continued...)

B. Volume of the Subject Imports

Section 771(7)(C)(I) of the Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."

U.S. imports of ironing tables from China nearly quadrupled in terms of quantity and nearly tripled in terms of value between 2001 and 2003.[67] While subject imports declined in interim (January-March) 2004 as compared to interim 2003, we attribute the decline to the filing of the petition in June 2003 and the imposition of duties in February 2004.[68] Subject import market share increased dramatically between 2001 and 2003 as well, rising by nearly *** percentage points in terms of quantity and nearly *** in terms of value.[69]

As subject import shipments increased between 2001 and 2003, the domestic industry's production fell by ***.[70] U.S. shipments also declined over this period, falling by *** in terms of quantity and by *** in terms of value.[71] The industry's share of apparent U.S. consumption fell from *** percent in 2001 to *** percent in 2003; this market share was lost entirely to subject imports.[72] Due to the long lasting nature of ironing tables, moderate price declines do not significantly increase purchases; thus, the increased shipment volumes of subject imports at LTFV have taken market share from the remaining domestic producer, rather than resulting in increased consumption.

Despite the rapid and substantial increase of subject imports and their market share, respondents argue that some of this volume does not compete with the domestic product, and therefore should be discounted as not injurious to the domestic industry.[73] Respondents state that, because HPI produces mainly perforated-top ironing tables and subject imports are entirely mesh-top tables,[74] there is little head-to-head competition between the two. The record does not support this argument. Even though ***

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[66] (...continued)
marketing brochures promoted mesh surfaces as a trade up over perforated surfaces, and that HPI's packaging materials make reference to mesh tops being a better ironing surface due to their better steam penetration ability. ***.

[67] In terms of quantity, subject imports increased from 668,000 units in 2001 to 1.5 million units in 2002, then to 2.5 million shipments in 2003. They totaled 508,000 units in interim 2003 and 279,000 units in interim 2004. In terms of value, subject import shipments increased from $6.4 million in 2001 to $12.0 million in 2002, then to $18.9 million in 2003. They were $3.9 million in interim 2003 and $3.4 million in interim 2004. CR/PR at Table IV-1. In our evaluation of the volume of subject imports, their price effects and their impact on the domestic industry, we give less weight to the interim 2004 data in view of the pendency of this investigation. 19 U.S.C. § 1677(7)(I).

[68] See Tr. at 210 (Mr. Ho).

[69] In terms of quantity, subject import market share increased from *** percent in 2001 to *** percent in 2002 and then to *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. In terms of value, subject import market share increased from *** percent in 2001 to *** percent in 2002, then increased further to *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. CR/PR at Table IV-4.

[70] Domestic production decreased from *** units in 2001 to *** units in 2003. CR/PR at Table III-2.

[71] As measured by quantity, the domestic industry's U.S. shipments decreased from *** units in 2001 to *** units in 2002, then to *** units in 2003. They totaled *** in interim 2003 and *** in interim 2004. As measured by value, the domestic industry's U.S. shipments decreased from $*** in 2001 to $*** in 2002, then to $*** in 2004. They were $*** in interim 2003 and $*** in interim 2004. CR/PR at Table IV-4.

[72] CR/PR at Table IV-4.

[73] Respondent Whitney Design et al.'s Prehearing Brief at 14-15; Respondent Whitney Design et al.'s Posthearing Brief at 9-11.

[74] Chinese manufacturers reportedly produce only mesh-top tables. CR at I-6, PR at I-5.

has moved toward purchasing only mesh-top tables as a higher quality opening price point product,[75] only a few buyers have expressed such exclusive preferences.[76] *** itself purchased perforated-top tables during the period examined, including tables from ***.[77] Further, as described above, *** has produced a significant number of mesh-top 4-leg and T-leg tables and has the capacity to produce substantially more.[78] *** even qualified *** as a supplier of mesh-top tables during the period examined.[79] Finally, the record indicates substantial interchangeability between the two types of tables.[80] As a result, we do not find respondents' argument to be persuasive, and we consider subject imports to generally compete with the domestic product.

Whitney Design also argues that a large portion of the increase in subject import volume is due to its shift from domestic producer to importer, and that it is merely supplying its established customers – who did not purchase from HPI – with imported Chinese product, and its subject imports are therefore not injurious.[81] The record does not support these arguments. First, Whitney Design accounted for *** of total subject imports in each year of the period, and its share of total subject imports was much lower in 2003 than in 2001.[82] Second, another large importer, ***, greatly increased its subject imports; in particular, we note that *** saw an opportunity in 2001-02 to sell a "step up" subject import, i.e. a mesh-top table, at an opening price point and seized it,[83] purchasing subject imports rather than domestic products.[84] Third, there are subject imports present in the marketplace in addition to those shipped by *** and Whitney Design.[85] Finally, even though Whitney Design sells a substantial portion of its subject imports to its longstanding customers, the record indicates that Whitney Design also has sought – and

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[75] ***.

[76] See, e.g., CR at I-7, PR at I-5; ***. For additional discussion regarding ***'s purchasing practices, see section below regarding price effects of the subject imports.

[77] Evidence in the record shows that *** purchased *** perforated-top T-legs with pad and cover from ***, and *** perforated-top T-legs with pad and cover from ***. Petitioner's Posthearing Brief at 4-6; see *** at 3.

[78] Furthermore, there exists no record evidence that at the time of its internet reverse auctions ***. See ***.

[79] See Petitioner's Posthearing Brief at A-32 - A-36.

[80] CR at II-5, II-7 - II-8, PR at II-4 - II-5, CR/PR at Table II-2. Respondents also argued that the Commission should discount imports of "high-end" ironing tables as non-injurious to the domestic industry. Respondent Whitney et al.'s Prehearing Brief at 5; Respondent Whitney et al.'s Posthearing Brief at 9-10. However, the record indicates that such tables are a small share of the market. CR at I-6, PR at 5; see also Petitioner's Posthearing Brief at A-6. Moreover, HPI has submitted evidence that it produces and sells high-end tables. Petitioner's Posthearing Brief at A-5 - A-8 & Exh. 5. Finally, the record indicates that the highest-end, or "elite," tables are not produced in either the United States or China. CR at I-6, PR at 5.

[81] Whitney Design et al.'s Prehearing Brief at 14.

[82] Whitney Design accounted for *** percent of subject imports in 2001, *** percent in 2002 and *** percent in 2003. CR/PR at Table IV-2.

[83] *** at 1-2.

[84] Orders from *** represent the *** of deliveries and anticipated deliveries of subject merchandise in 2004. According to the company, it is ***. CR at VII-6 n.9, PR at VII-3 n.9.

[85] See CR/PR at Table IV-2 (importers during the period examined include ***, Bajer Design/Marketing, ***, ***, Home Products International, ***, ***, Polder, ***, ***, and Whitney Design. Approximately *** of subject imports are due to importers other than Whitney Design and ***.

gained – sales to customers such as *** and ***,[86] and is supplying these purchasers with additional LTFV subject imports.[87] [88]

In view of the foregoing, we find both the volume and increase in volume of subject imports, both in absolute terms and relative to consumption and production in the United States, to be significant.

C. Price Effects of the Subject Imports

Section 771(7)(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

> (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and
>
> (II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[89]

As stated above, there is a concentration of purchasers, and evidence in the record indicates that approximately *** percent of the ironing tables sold at the wholesale level are purchased by only three customers – Target, Wal-Mart and Kmart – who then sell at retail.[90] The few large buyers can negotiate lower prices when necessary, and lower prices by one may well result in widespread downward retail pricing, resulting in turn in downward pressure placed on wholesale prices.[91]

As noted earlier, Chinese and domestic ironing tables are interchangeable. There is a wide range of prices between the opening price point (generally $15 or less retail) and the various step up models (up to $70).[92] The mesh-top table historically has been more expensive (HPI states that ***).[93] Some purchasers perceive the mesh-top table to be a higher quality product.[94] The Commission collected pricing data on two products – a perforated-top T-leg ironing table (the predominant product of the domestic industry and not produced at all by the Chinese industry) and a mesh-top T-leg ironing table (produced by the Chinese industry and produced in significant volumes by the domestic industry). Given the record evidence of pricing differences between mesh-top and perforated-top ironing tables, we

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[86] See CR at V-14 - V-15 & n.38, V-17 n.43, PR at V-7 - V-8; see also CR at V-24, PR at V-8.

[87] We also note that in 2004, *** "purchased" Chinese-manufactured ironing tables from Whitney Design, although ***. CR at VII-6 n.9, PR at VII-3 n.9.

[88] Moreover, even Whitney Design's sales to established customers are now of subject imports sold at LTFV that do not necessarily have the same effect on the market as Whitney Design's domestic product previously had.

[89] 19 U.S.C. § 1677(7)(C)(ii).

[90] CR at II-1, PR at II-1.

[91] See Petitioner's Prehearing Brief at 26.

[92] CR at I-5, PR at I-4.

[93] CR at I-6 - I-7 & n.20, PR at I-5 - I-6 & n.20; see also CR at II-8 n.24, PR at II-5 n.24.

[94] CR at I-7, PR at I-6.

consider price comparisons between domestic and subject imported mesh-top tables to be more useful than price comparisons between domestic perforated-top tables and subject imported mesh-top tables.[95]

The pricing data[96] show that, through the first quarter of 2002, prices for Chinese mesh-top T-leg ironing tables were generally higher-priced than comparable domestically produced mesh-top ironing tables. The Chinese product then became lower-priced than domestic product as subject import volumes rose and subject import prices fell. There was significant underselling for mesh-top T-leg ironing tables in nine of 13 quarters for which data were collected, with underselling margins ranging from 2.4 percent to 22.5 percent and averaging 14.7 percent.[97] Subject imports undersold the comparable domestic product in every period after the first quarter of 2002.[98] We deem this underselling to be significant, particularly in view of the large influx of subject import volumes in 2003.

Evidence regarding internet reverse auctions[99] and lost sales and revenues[100] indicates that the Chinese mesh-top table is overtaking the market previously dominated by the perforated-top table, and is doing so by underselling the domestic product and driving prices lower. During the period examined, *** reported internet reverse auctions for ironing tables: ***.[101] In these auctions, the purchaser specifies the products and quantities for bidding by potential suppliers, who are preselected to participate. Electronic, real-time bidding starts at a certain price and falls until no lower prices are bid. Normally, whoever bids the lowest price is awarded the business of the buyer hosting the auction.[102]

In the first reported internet reverse auction conducted by ***.[103] In *** internet reverse auction, ***.[104] We note that *** instructed ***.[105] This indicates that *** expected import prices to be ***. Although *** states that it ***,[106] *** qualified *** for its online auctions, indicating that it thought ***.[107] [108] Finally, we note that *** now states that it moved to mesh-top tables because "it represented

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[95] Tr. at 40 (Dr. Bradley); Petitioner's Posthearing Brief at A-13 - A-16. The record indicates that purchasers paid a price premium for mesh-top tables even though mesh-top and perforated-top tables are interchangeable and mesh-top tables account for only slightly greater steam penetration than perforated-top tables. CR at I-6 & n.19, PR at I-5 & n.19. Although prices for the two types of products are not entirely comparable, we note that the price differential between mesh-top imports and domestically produced perforated-top ironing tables narrowed at the end of the period examined. CR/PR at Table V-1.

[96] We note that we do not include ***'s direct import prices in our calculations as they involve a different level of trade. But see CR/PR at Tables V-1 - V-2 & n.1 for ***'s direct imports (the price per unit of these imports was $*** in the last quarter of 2002, $*** in the first quarter of 2003, $*** in the second quarter, $*** in the third quarter, $*** in the fourth quarter, and $*** in the first quarter of 2004).

[97] CR/PR at Table V-2, CR at V-11, PR at V-6.

[98] CR/PR at Table V-2.

[99] CR at V-17 - V-23, PR at V-8.

[100] CR at V-12 - V-17, PR at V-7 - V-8.

[101] CR at V-17, PR at V-8.

[102] Tr. at 56 (Mr. Graves).

[103] CR at V-20 - V-21, PR at V-7.

[104] CR at V-22 - V-23, PR at V-8.

[105] See CR at V-23 n.65, PR at V-8 n.65.

[106] CR at V-23, PR at V-8.

[107] The record details the extensive qualification process *** undertakes to prequalify a bidder before an online auction takes place. Petitioner's Posthearing Brief at A-32 - A-38 & Exhs. 10-11.

[108] Furthermore, as discussed earlier, *** purchased perforated-top tables from *** in 2001 and 2002. See Petitioner's Posthearing Brief at Exh. 2. In addition, for the first time in its posthearing brief, *** stated that it

(continued...)

an opportunity to offer a fresh, quality product with outstanding value."[109] As *** qualified *** for its ***, we interpret "outstanding value" to, at least in part, mean lower price.

The product-specific pricing data also show that, while subject import prices were falling, the domestic industry's prices also declined. The reported weighted-average unit values for domestic product 1 decreased irregularly over the period for which data were collected, and were *** percent lower in the fourth quarter of 2003 as compared to the first quarter of 2001.[110] As more than 75 percent of ironing tables consumed in the United States reportedly are in the opening price point category,[111] and the majority of HPI's sales into this category are perforated-top ironing tables (similar to or the same as product 1), we find significant price depression based on the product-specific data as well as other information in the record, including information on internet reverse auctions and lost sales and revenue.[112]

While respondents have alleged that HPI is the price leader, the evidence in the record is inconclusive. Respondents' analysis of the price data alleges an aggressive pricing strategy by HPI that drove down prices for imported ironing tables,[113] whereas HPI's analysis of the price data alleges that, adjusted for inflation, HPI's *** price declines did not occur until after the arrival of large quantities of subject imports in the U.S. market in the third quarter of 2002.[114] Internet reverse auction data indicate that HPI generally was not the lowest bidder in these events, and in most instances HPI reported that it stopped bidding once bid prices fell below HPI's pre-established prices based on its profit margin percentage targets.[115] Further, most purchasers indicated that there is no price leader.[116]

We conclude, in view of the foregoing, that there has been significant price underselling by the subject imports and that the effect of such imports has been to depress prices for the domestic like product to a significant degree.

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[108] (...continued)
***. ***. HPI denies this claim, HPI's Final Comments at 4 n. 7, and *** did not supply any evidence to support its statement. We note, however, that HPI ***. Phone notes with Petitioner's Counsel, Fred Ikensen on July 8, 2004 (EDIS DOC ID 210021). In its posthearing brief, HPI provided a table indicating that it ***. HPI's Posthearing Brief at Exh. 5. Finally, *** stated in its response to the purchaser questionnaire that its reason *** was "best cost." ***'s Purchaser Questionnaire Response at 5b.

[109] ***.

[110] CR/PR at Table V-1.

[111] CR at I-6, PR at I-5.

[112] Because most ironing tables produced and sold by HPI in the U.S. market are perforated-top ironing tables, we find the decrease in those prices to be most significant. We recognize that U.S. mesh-top ironing table prices rose *** percent between the first quarter of 2001 and the fourth quarter of 2003. CR/PR at Table V-2. However, we note that U.S. mesh-top prices rose at the same time that domestic shipments declined sharply, CR/PR at Table V-2 (falling from *** units in second quarter 2002 to *** units in third quarter 2002), in response to rising shipments of subject imports. CR/PR at Table V-2 (shipments of subject imports rose from *** units in second quarter 2002 to *** units in third quarter 2002). We note that we have already found, as discussed earlier, that there is substantial competition between subject imports of mesh-top ironing tables and domestic perforated-top tables; therefore, prices for the latter are affected by prices for the former.

[113] Whitney Design et al.'s Prehearing Brief at 21-28 & Atts. 4-7; Whitney Design et al.'s Posthearing Brief at 4-6.

[114] HPI's Prehearing Brief at 40-44.

[115] CR/PR at Table V-5, CR at V-20 to V-25, PR at V-7 - V-9.

[116] See HPI's Prehearing Brief at 43-44.

D. Impact of the Subject Imports

In examining the impact of the subject imports on the domestic industry, we consider all relevant economic factors that bear on the state of the industry in the United States.[117] These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[118]

While we examine the domestic industry as a whole,[119] we note that, as indicated above, Whitney Design exited the domestic industry in April 2002, which significantly reduced domestic production capacity.[120] Even accounting for Whitney Design's exit and focusing on data for HPI, the industry's sole remaining domestic producer after April 2002, production and capacity utilization decreased significantly between 2001 and 2003.[121] The domestic industry's end-of-period inventories fluctuated over the period, remaining steady when comparing 2003 to 2001, but the ratio of inventories to production and to U.S. shipments *** between 2001 and 2003.[122]

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[117] 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 851 and 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports.").

[118] 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 851 and 885 and Live Cattle from Canada and Mexico, Inv. Nos. 701-TA-386 and 731-TA-812-813 (Preliminary), USITC Pub. 3155 (Feb. 1999) at 25 n.148.

[119] See, e.g., Timken Co. v. United States, ___ F.Supp.2d ___, Slip Op. 04-17 (Feb. 25, 2004) at 13 n.2; Calabrian Corp. v. United States, 794 F. Supp. 377, 385-86 (Ct. Int'l Trade 1992).

[120] Whitney Design's capacity was *** units in 2001. HPI's capacity throughout the period examined was *** units. CR/PR at Table III-2. Whitney Design claims that it exited the domestic industry not because of subject imports, but because of HPI's aggressive pricing. For purposes of considering impact, we consider data for both the domestic industry as a whole and HPI alone; both sets of data support a finding of material adverse impact by subject imports.

[121] Total domestic production decreased from *** units in 2001 to *** units in 2002, then to *** units in 2003. It was *** units in interim 2003 and *** units in interim 2004. HPI's production decreased from *** units in 2001 to *** units in 2002, then to *** units in 2003. It was *** units in interim 2003 and *** units in interim 2004. CR/PR at Table III-2.

Average capacity utilization decreased from *** percent in 2001 to *** percent in 2002, then to *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. HPI's capacity utilization decreased from *** percent in 2001 to *** percent in 2002, then to *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. CR/PR at Table III-2.

[122] Total end-of-period inventories were *** units in 2001, *** units in 2002 and *** units in 2003. They were *** units in interim 2003 and *** units in interim 2004. HPI's end-of-period inventories were *** units in 2001, *** units in 2002 and *** units in 2003. They were *** units in interim 2003 and *** units in interim 2004.

The average ratio of inventories to production was *** percent in 2001, *** percent in 2002 and *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. HPI's ratio of inventories to production was *** percent in 2001, *** percent in 2002 and *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004.

The average ratio of inventories to total shipments was *** percent in 2001, *** percent in 2002 and *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. HPI's ratio of inventories to total shipments was *** percent in 2001, *** percent in 2002 and *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. CR/PR at Table III-7.

Employment-related indicators have declined as well. The average number of production and related workers decreased by *** between 2001 and 2003,[123] and the hours they worked decreased to an even greater extent.[124]

Financial indicators also eroded between 2001 and 2003. The quantity of net sales decreased by *** in terms of quantity and *** in terms of value.[125] Gross profit declined ***[126] and operating income declined as well.[127] Although the domestic industry remained profitable in 2003 and its operating income ratio fluctuated but remained *** between 2001 and 2003,[128] the operating income ratio is only one of many factors the Commission examines in making its finding as to the impact of subject imports on the domestic industry. Moreover, we note that most of the industry's cost of goods sold are *** costs, and the cost of HPI's plant and equipment is ***. Because the majority of costs are *** and therefore ***.[129] Thus, the *** of operating leverage reflected in the manufacturing cost structure of ironing tables helps to explain how the industry was able to maintain its operating margins despite experiencing observed declines in sales/production volume.[130] In sum, maintenance of the reported positive operating income to net sales ratio does not necessarily indicate that the industry has not been materially injured by subject imports. Rather, the injury manifests itself primarily in the large declines in many of the industry's other indicators as noted above.

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[123] The average number of production and related workers fell from *** in 2001 to *** in 2002, then to *** in 2003. It was *** in interim 2003 and *** in interim 2004. HPI's production and related workers decreased from *** in 2001 to *** in 2002, then to *** in 2003. They numbered *** in interim 2003 and *** in interim 2004. CR/PR at Table III-3.

[124] Total hours worked by production and related workers declined from *** in 2001 to *** in 2002, then to *** in 2003. They were *** in interim 2003 and *** in interim 2004. HPI's hours worked by its production and related workers fell from *** in 2001 to *** in 2002, then to *** in 2003. They were *** in interim 2003 and *** in interim 2004. CR/PR at Table III-8.

[125] The quantity of net sales decreased from *** units in 2001 to *** units in 2002, then to *** units in 2003. It was *** in interim 2003 and *** in interim 2004. CR/PR at Table VI-1. The quantity of HPI's net sales declined from *** units in 2001 to *** units in 2002, then to *** units in 2003. It was *** in interim 2003 and *** in interim 2004. CR./PR at Table VI-2.

The value of net sales decreased from $*** in 2001 to $*** in 2002, then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-1. The value of HPI's net sales declined from $*** in 2001 to $*** in 2002, then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-2.

[126] Gross profit declined from $*** in 2001 to $*** in 2002, then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-1.

[127] Operating income fell from $*** in 2001 to $*** in 2002, then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-1. HPI's operating income was $*** in 2001, falling to $*** in 2002 and then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-2.

[128] The ratio of operating income to net sales increased from *** percent in 2001 to *** percent in 2002, then fell to *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. CR/PR at Table VI-1. The ratio of HPI's operating income to net sales was *** percent in 2001, *** percent in 2002 and *** percent in 2003. It was *** percent in interim 2003 and *** percent in interim 2004. CR/PR at Table VI-2.

[129] A large proportion of *** costs would have had the opposite effect by ***.

[130] The total cost of goods sold decreased from $*** in 2001 to $*** in 2002, then to $*** in 2003. It was $*** in interim 2003 and $*** in interim 2004. CR/PR at Table VI-1. Other factory costs, which include fixed costs, were only *** percent of total cost of goods sold for the domestic industry in 2001, *** percent in 2002 and *** percent in 2003. The remainder of total cost of goods sold, including raw materials and direct labor, are variable costs. Calculated from CR/PR at Table VI-1.

In light of the significant increases in the volume and market penetration of the subject imports between 2001 and 2003, the significant adverse price effects of the subject imports and the causal linkage between the subject imports and the domestic industry's declines in output, market share, employment, and operating performance, we conclude that the subject imports have had a significant adverse impact on the domestic ironing tables industry. Accordingly, we reach an affirmative determination in this investigation.

V. CONCLUSION

For the foregoing reasons, we find that the domestic ironing tables industry is materially injured by reason of LTFV imports from China.

SEPARATE VIEWS OF COMMISSIONER PEARSON

Based on the record in this investigation, I find that an industry in the United States is threatened with material injury by reason of imports of ironing tables from China that are sold in the United States at less than fair value (LTFV). However, I agree with the Commission's findings with respect to the domestic like product, the domestic industry and related parties, and conditions of competition, and therefore join in sections I, II, III, and IV-A of the views of the Commission.

I. NO MATERIAL INJURY BY REASON OF SUBJECT IMPORTS[1]

A. General Legal Standards

In the final phase of antidumping duty investigations, the Commission determines whether an industry in the United States is materially injured by reason of the imports under investigation.[2] In making this determination, the Commission must consider the volume of imports, their effect on prices for the domestic like product, and their impact on domestic producers of the domestic like product, but only in the context of U.S. production operations.[3] The statute defines "material injury" as "harm which is not inconsequential, immaterial, or unimportant."[4] In assessing whether the domestic industry is materially injured by reason of subject imports, we consider all relevant economic factors that bear on the state of the industry in the United States.[5] No single factor is dispositive, and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[6]

With respect to the volume of the subject imports, section 771(7)(C)(i) of the Act provides that the "Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant."[7]

With respect to the price effects of the subject imports, section 771(7)(C)(ii) of the Act provides that, in evaluating the price effects of the subject imports, the Commission shall consider whether –

> (I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

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[1] Subject imports from China are not negligible. Subject imports from China constituted nearly *** percent of the quantity of all imports throughout 2002-2003. CR/PR at Table IV-1. Thus, the available data indicate that subject imports from China were well above the 3 percent statutory negligibility threshold for the 12 months prior to the filing of the petition on June 30, 2003.

[2] 19 U.S.C. § 1673d(b).

[3] 19 U.S.C. § 1677(7)(B)(i). The Commission "may consider such other economic factors as are relevant to the determination" but shall "identify each [such] factor . . . [a]nd explain in full its relevance to the determination." 19 U.S.C. § 1677(7)(B). See also Angus Chemical Co. v. United States, 140 F.3d 1478 (Fed. Cir. 1998).

[4] 19 U.S.C. § 1677(7)(A).

[5] 19 U.S.C. § 1677(7)(C)(iii).

[6] 19 U.S.C. § 1677(7)(C)(iii).

[7] 19 U.S.C. § 1677(7)(C)(i).

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.[8]

In examining the impact of the subject imports on the domestic industry, we consider all relevant economic factors that bear on the state of the industry in the United States.[9] These factors include output, sales, inventories, capacity utilization, market share, employment, wages, productivity, profits, cash flow, return on investment, ability to raise capital, and research and development. No single factor is dispositive and all relevant factors are considered "within the context of the business cycle and conditions of competition that are distinctive to the affected industry."[10]

For the reasons discussed below, I determine that the domestic ironing tables industry is not materially injured by reason of LTFV imports from China.

1. Volume of the Subject Imports

The quantity of subject imports from China increased from 668,000 units in 2001 to 1.5 million units in 2002 and then to 2.5 million units in 2003. The quantity of subject imports declined from 508,000 units in interim 2003 to 279,000 units in interim 2004.[11] These imports' share of total apparent U.S. consumption increased from *** percent in 2001 to *** percent in 2002, and then increased further to *** percent in 2003. Subject imports' share of total apparent U.S. consumption fell from *** percent in interim 2003 to *** percent in interim 2004.[12]

The absolute quantity of subject imports from China increased rapidly from 2001 to 2002, and again from 2002 to 2003. These imports' share of apparent U.S. consumption also increased rapidly on an annual basis. Based on this rapid growth, and the substantial share of U.S. consumption accounted for by subject imports, I find the volume of subject imports, as well as the increase in that volume, to be significant.[13]

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[8] 19 U.S.C. § 1677(7)(C)(ii).

[9] 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 851, 885 ("In material injury determinations, the Commission considers, in addition to imports, other factors that may be contributing to overall injury. While these factors, in some cases, may account for the injury to the domestic industry, they also may demonstrate that an industry is facing difficulties from a variety of sources and is vulnerable to dumped or subsidized imports." Id. at 885.).

[10] 19 U.S.C. § 1677(7)(C)(iii). See also SAA at 851, 885; Live Cattle from Canada and Mexico, Inv. Nos. 701-TA-386, 731-TA-812-813 (Preliminary), USITC Pub. 3155 (Feb. 1999) at 25 n.148.

[11] CR/PR, Table IV-1.

[12] CR/PR, Table IV-4.

[13] The reported subject import volumes are somewhat misleading for three reasons: 1) The reported subject import volumes include direct imports by ***. These direct imports by *** accounted for *** percent of subject imports during 2003. *** maintains that an important non-price factor in its decision to import subject product from China was HPI's lack of a proven track record of producing mesh-top T-leg ironing tables in the quantities *** required; 2) the reported subject import volumes include imports by Whitney Design. Whitney Design was a domestic producer of ironing tables until it closed its ironing table production facility in April 2002. Whitney Design argues that a substantial share of its imports, subsequent to its exit from the domestic industry, were sold to existing Whitney Design customers, and therefore these sales did not take sales from HPI; and 3) the reported subject import volumes include imports of "high-end" ironing tables. HPI produces relatively few of these types of ironing tables, and both HPI and Whitney Design (while it was a domestic producer) historically imported "high-end" ironing tables from Chinese producers to round out their product lines. Respondents' prehearing brief, pp. 13-14. Respondents' posthearing brief, pp. 9-13. Target's posthearing brief, pp. 1-9. Therefore, I believe that competition between

(continued...)

2. Price Effects of Subject Imports

a. Importance of Price in Purchasing Decisions

The record indicates that price is an important factor purchasers use in selecting suppliers. In questionnaire responses, 13 purchasers named lower price as a "very important" purchasing factor and two rated lower price as "somewhat important."[14] Price was the factor purchasers most frequently named as the second most important factor in selecting an ironing tables supplier.[15]

b. Analysis of Pricing Data

The Commission collected pricing data concerning two ironing table products. Product 1 is a perforated-top, T-leg ironing table. During the period examined, perforated-top, T-leg ironing tables accounted for *** percent of domestic production of ironing tables.[16] Importers did not report any imports of Chinese perforated-top ironing tables during the period examined.[17] Product 2 is a mesh-top, T-leg ironing table. Mesh-top, T-leg ironing tables accounted for only *** percent of domestic production of ironing tables during the period examined.[18] In contrast, imports of mesh-top, T-leg ironing tables accounted for *** percent of subject imports during the period examined.[19]

The reported price data showed mixed trends during the period examined. Prices for domestic product 1 decreased irregularly over the period for which data were collected, and were *** percent lower in the first quarter of 2004 as compared to the first quarter of 2001. Prices for domestic product 2 increased irregularly over the period for which data were collected, and were *** percent higher in the first quarter of 2004 as compared to the first quarter of 2001. Prices for imported Chinese product 2 decreased irregularly over the period for which data were collected, and were *** percent lower in the first quarter of 2004 as compared to the first quarter of 2001.[20]

Since importers reported no price data for sales of product 1 (perforated-top T-leg ironing tables), there are no comparisons of domestic and imported Chinese product 1 prices available. Commission price data indicate that imported Chinese product 2 prices undersold domestic product 2 prices in nine quarters by margins that ranged from *** percent to *** percent, and oversold domestic product 2 prices in four quarters by margins that ranged from *** percent to *** percent. However, since domestic producers sold only very small quantities of product 2 (mesh-top T-leg ironing boards) during the period examined, price data for this product are not representative of domestic prices. In addition, because domestic producers' sales of product 2 tended to be for relatively small quantities,[21] domestic producers' product 2 customers did not receive the same quantity discounts (set or negotiated)

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[13] (...continued)
domestic and imported subject ironing tables was somewhat attenuated for these three reasons.

[14] CR/PR, Table II-4.

[15] CR/PR, Table II-1. Quality was the factor most frequently named by purchasers as the most important factor. Id.

[16] Calculated from CR/PR, Table III-3.

[17] CR/PR, Table IV-2.

[18] Calculated from CR/PR, Table III-3.

[19] Calculated from CR/PR, Table IV-2. Importers also reported significant imports of Chinese mesh-top, 4-leg ironing tables during the period examined. Id.

[20] CR/PR, Tables V-1 and V-2.

[21] CR/PR, Table V-2.

that its larger product 1 customers, or the larger imported Chinese product 2 customers, received.[22] As a result, domestic product 2 prices would tend to be biased upward with respect to domestic product 1 prices and prices for imported Chinese product 2.[23]

Another way to compare ironing tables prices is to compare domestic product 1 prices to imported Chinese product 2 prices. Both petitioner and respondents agree that, for most customers, perforated-top and mesh-top T-leg ironing tables are interchangeable and differences between the two types of ironing tables are minimal.[24] Domestic product 1 prices and imported Chinese product 2 prices are the most representative price series.[25] Finally, domestic producers' reported sales quantities of product 1 were more comparable to importers' reported sales quantities of Chinese product 2, and therefore less likely to reflect a quantity discount bias.[26] For these reasons, I believe that domestic product 1 and imported Chinese product 2 prices are the most comparable.[27]

Commission price data indicate that Chinese product 2 prices oversold domestic product 1 prices in all thirteen quarters for which data were available, by margins ranging from *** percent to *** percent.[28] However, margins of overselling tended to decline toward the end of the period, as Chinese product 2 prices fell to the level of domestic product 1 prices. These price data suggest that HPI is the price leader in this market, and that subject import prices are not depressing domestic prices.[29] [30]

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[22] *** reported that discount policies are determined on a customer-by-customer basis. *** stated that it did not have a firm discount policy and that competition with price leader HPI drove pricing. *** reported some standard volume discounts, and *** reported discounts based on cost of doing business with a customer (e.g., freight, volume, prepaid, etc.). CR at V-5, PR at V-3.

[23] Further evidence of the non-comparability of domestic and imported product 2 prices is the fact that price trends for these two data series diverged over the period examined.

[24] At the hearing, counsel for petitioner stated "The argument has been is that it (the mesh-top) permits steam to flow through at a higher rate. We understand that it's very, very minimally higher, and we can present in our post-hearing report a laboratory analysis showing you precisely how much more steam gets through. We're talking about a very, very small difference." Hearing transcript, p. 98. A witness for the petitioner stated "As I mentioned earlier, the mesh table takes slightly more labor to produce. But as far as the durability and the functionality of the two tables, they are pretty much interchangeable." Hearing transcript, p. 95. Respondents maintain that "Testimony by both respondent and petitioner witnesses indicated that, with the known and notable exception of Target, many buyers regard mesh- and perforated-top ironing tables to be commercially and functionally the same." Respondents' posthearing brief, appendix 1, p. 16.

[25] CR/PR, Table V-1.

[26] Importers' reported sales quantities of Chinese product 2 were relatively small during 2001 and the first two quarters of 2002. Not surprisingly, these quarters tended to show the greatest margins of overselling. CR/PR, Table V-1.

[27] ***'s purchase prices for its direct imports of the subject product are presented separately from the other price data in the staff report. It is not appropriate to combine ***'s purchase price data with the subject imports sales price data, primarily because when *** imports directly, it self-provides a variety of costly and valuable distribution services required by buyers. The costs of providing these services are reflected in the sales prices of both HPI and importer distributors such as Whitney Design and Polder, but are not reflected in ***'s purchase prices of direct imports. ***. Respondents' final comments, pp. 9-10.

[28] CR/PR, Table V-1.

[29] CR/PR, Table V-1 and Figure V-1.

[30] Whitney Design maintains that HPI has been the price leader in this market. Whitney Design cites conference testimony and specific examples of aggressive HPI pricing to support this allegation. Respondents' prehearing brief, pp. 21-32. Respondents' posthearing brief, pp. 4-6. Respondents' final comments, pp. 11-12. This allegation is further supported by Commission price data which show that, while Whitney Design was still a domestic producer,

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There is also no basis for a finding of price suppression. The domestic industry's ratio of COGS to net sales declined from *** percent in 2001 to *** percent in 2002, and *** percent in 2003. The ratio of COGs to net sales did increase during the interim periods, however, from *** percent in interim 2003 to *** percent in interim 2004.[31] The record thus indicates that price competition by subject imports from China did not cause any cost-price squeeze, although the interim data indicate that domestic producers may face a cost-price squeeze in the near future.

Consequently, absent significant underselling, or price depression or suppression by the subject imports, I find that imports of ironing tables from China do not have significant effects on prices for the domestic like product at present. There are, however, indications that the prices for the higher-priced Chinese subject imports were converging with domestic product prices, which suggests that underselling would be likely during subsequent periods. In addition, the ***.

3. Impact of the Subject Imports on the Domestic Industry

Although a number of the domestic industry's performance indicators declined, the domestic industry remained highly profitable throughout the period examined. However, the domestic industry's profitability did show signs of eroding at the end of the period.

As discussed above in the section on conditions of competition, apparent U.S. consumption of ironing tables declined from 2001 to 2002 and then rose in 2003 to a level less than that of 2001. Consumption fell slightly during the interim periods.[32] Several output-related indicators of U.S. industry performance declined during 2001-2003, but increased during the interim periods. These included production,[33] U.S. shipments,[34] and capacity utilization.[35] The domestic industry's export shipments declined throughout the period examined.[36] Capacity declined during 2001-2003, and was unchanged

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[30] (...continued)
HPI's product 1 prices undersold Whitney Design's product 1 prices in *** quarters for which price comparisons were available (January 2001-June 2002). CR/PR, Table D-1.

[31] CR/PR, Table VI-1.

[32] The statute instructs the Commission to consider the "magnitude of the margin of dumping" in an antidumping proceeding as part of its consideration of the impact of imports. 19 U.S.C. § 1677(7)(C)(iii)(V). In its final determination, Commerce assigned a 6.60 percent dumping margin to Since Hardware; 52.04 percent to Forever Holdings, Harvest International Hardwares, and Gaoming Lihe Daily Necessities; 113.80 percent to Shunde Yongjan Housewares; and an "all others" rate of 113.80 percent. 69 Fed. Reg. 35296 (June 24, 2004).

[33] Domestic production declined from *** units in 2001 to *** units in 2002, and continued to decline to *** units in 2003. Domestic production increased from *** units in interim 2003 to *** units in interim 2004. CR/PR, Table III-2.

[34] The quantity of the domestic industry's U.S. shipments declined from *** units in 2001 to *** units in 2002, and continued to decline to *** units in 2003. U.S. shipments increased from *** units in interim 2003 to *** units in interim 2004. CR/PR, Table III-6.

[35] U.S. producers' capacity utilization declined from *** percent in 2001 to *** percent in 2002, and continued to decline to *** percent in 2003. Capacity utilization increased from *** percent in interim 2003 to *** percent in interim 2004. CR/PR, Table III-2.

[36] The quantity of the domestic industry's export shipments declined from *** units in 2001 to *** units in 2002, and continued to decline to *** units in 2003. Export shipments further declined from *** units in interim 2003 to *** units in interim 2004. CR/PR, Table III-6.

between the interim periods.[37] Inventory levels increased substantially in 2002, then fell to 2001 levels in 2003 and declined between the interim periods.[38] The domestic industry's share of apparent U.S. consumption fell during 2001-2003, but increased during the interim periods.[39] Employment and hours worked fell throughout the period.[40] Productivity, by contrast, increased during the period examined.[41] The industry's capital expenditures were higher in 2003 than in 2001, and U.S. producers reported no research and development expenses during the period examined.[42] [43]

Even with the decline in some performance indicators, the domestic industry's operating income margins were at levels ***. U.S. producers' operating income as a ratio to net sales increased from *** percent in 2001 to *** percent in 2002, then fell to *** percent in 2003. U.S. producers' operating income margins fell from *** percent in interim 2003 to *** percent in interim 2004.[44] These *** operating income margins are all the more striking given that the U.S. ironing tables industry is not a highly-capitalized industry which, arguably, would require above-average operating income margins to cover higher fixed costs.[45] The domestic industry's healthy profitability is further demonstrated by its *** rates of return on fixed assets. U.S. producers' rates of return on fixed assets were *** percent in

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[37] The domestic industry's capacity declined from *** units in 2001 to *** units in 2002, and continued to decline to *** units in 2003. Capacity was unchanged between the interim periods at *** units. CR/PR, Table III-2.

[38] Inventories increased from *** units in 2001 to *** units in 2002, and then fell to *** units in 2003. Inventories fell from *** units in interim 2003 to *** units in interim 2004. CR/PR, Table III-7.

[39] The domestic industry's share of U.S. apparent consumption declined from *** percent in 2001 to *** percent in 2002, and continued to decline to *** percent in 2003. U.S. producers' market share increased from *** percent in interim 2003 to *** percent in 2004. CR/PR, Table IV-4.

[40] The number of production and employment workers declined from *** in 2001 to *** in 2002, and continued to decline to *** in 2002. Production workers further declined from *** in interim 2003 to *** in interim 2004. Hours worked declined from *** in 2001 to *** in 2002, and continued to decline to *** in 2003. Hours worked increased from *** in interim 2003 to *** in interim 2004. CR/PR, Table III-8.

[41] Productivity increased from *** units/hour in 2001 to *** units/hour in 2002, and continued to increase to *** units/hour in 2003. Productivity further increased from *** units/hour in interim 2003 to *** units/hour in interim 2004. CR/PR, Table III-8.

[42] Capital expenditures declined from *** in 2001 to *** in 2002, and then increased to *** in 2003. CR/PR, Table VI-4.

[43] The magnitudes of the declines of some of these performance indicators are somewhat misleading because the domestic industry data include data for Whitney Design. Whitney Design maintains that it was aggressive pricing by HPI, and not subject imports from China, that drove Whitney Design from the market. Whitney Design states that, from 1998 through 2000, HPI drove U.S. low-end ironing table prices down by over *** percent to historically low levels, resulting in post-2000 pricing that rendered Whitney Design's St. Louis-based production operation unprofitable. Respondents' prehearing brief, pp. 12-13 and 21-28. Respondents' posthearing brief, p. 2. These allegations are supported by Commission price data that show that, while Whitney Design was still a domestic producer, HPI's product 1 prices undersold Whitney Design's product 1 prices in *** quarters for which price comparisons were available (January 2001-June 2002). CR/PR, Table D-1. Target notes that both parties appear to agree that Whitney Design's departure from the market was prior to any important Chinese presence in the U.S. market. Target's prehearing brief, pp. 4-5. Considering only HPI's performance indicators still shows declines in a number of these indicators, but the magnitudes of declines in the volume indicators are generally less. CR/PR, Tables III-2, III-6, III-8, IV-4, and VI-2.

[44] CR/PR, Table VI-2.

[45] Respondents argue that the domestic industry's ***. Respondents' prehearing brief, pp. 32-33. Respondents' posthearing brief, pp. 6-7.

2001, *** percent in 2002, and *** percent in 2003.[46] Despite the domestic industry's *** operating income margins, U.S. producers' operating income fell throughout the period, following the domestic industry's loss of volume.[47] However, I note that the Commission was only able to confirm lost sales allegations concerning ***.[48]

During the period examined, subject imports did increase significantly, both on a quantity basis and as a share of the U.S. market. However, the Commission price data show that domestic producers were the price leaders in this market, and that subject import prices did not depress or suppress domestic prices. As a result, although a number of the domestic industry's volume-based indicators declined over the period examined, domestic producers were able to maintain *** levels of profitability, both in relation to net sales and to fixed assets. For the foregoing reasons, I conclude that subject imports from China did not have a significant impact on the domestic ironing tables industry. I consequently determine that the domestic ironing tables industry is not materially injured by reason of LTFV imports from China.

II. ANALYSIS OF THREAT OF MATERIAL INJURY BY REASON OF SUBJECT IMPORTS

A. General Legal Standards

Section 771(7)(F) of the Act directs the Commission to determine whether the U.S. industry is threatened with material injury by reason of the subject imports by analyzing whether "further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted."[49] The Commission may not make such a determination "on the basis of mere conjecture or supposition," and considers the threat factors "as a whole" in making its determination whether dumped or subsidized imports are imminent and whether material injury by reason of subject imports would occur unless an order is issued.[50] In making my determination, I consider all statutory threat factors that are relevant to this investigation.[51]

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[46] Calculated from CR/PR, Tables VI-2 and VI-4.

[47] The domestic industry's operating income fell from *** in 2001 to *** in 2002, and continued to fall to *** in 2003. Operating income further fell from *** in interim 2003 to *** in interim 2004. CR/PR, Table VI-1.

[48] CR/PR, Table V-4. In particular, ***. CR/PR, Tables V-3 and V-4. ***. ***. Target's posthearing brief, pp. 6-9.

[49] 19 U.S.C. § 1677(7)(F)(ii).

[50] 19 U.S.C. § 1677(7)(F)(ii).

[51] 19 U.S.C. § 1677(7)(F)(i). These factors include: any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country; a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports; whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on the domestic prices and are likely to increase demand for further imports; inventories of the subject merchandise; the potential for product shifting; and the actual and potential negative effects on the existing development and production efforts of the domestic industry. 19 U.S.C. § 1677(7)(F)(i). Statutory threat factor (I) is inapplicable, as no countervailable subsidies are involved, and statutory threat factor (VII) is inapplicable, as no imports of agricultural products are involved. Id.

B. Affirmative Determination for Subject Imports from China

I find that, absent an antidumping order, there is a likelihood that subject imports from China will increase their volume and market penetration in the United States significantly. The quantity of subject imports increased by 278 percent during 2001-2003, although subject imports declined by 45 percent between the interim periods.[52] Similarly, subject imports' market share increased by *** percentage points during 2001-2003, although subject imports' market share declined by *** percentage points between the interim periods.[53] Although subject imports and subject imports' market share declined between the interim periods, the record indicates that this is due, at least in part, to the pendency of this investigation.[54] Given the rapid increases in subject imports and subject imports' market share during 2001-2003, I believe that, absent an antidumping order, it is likely that subject imports will continue to increase significantly.

Chinese producers' reported capacity to produce ironing tables increased during the period examined, and is projected to continue to increase in 2004 and 2005.[55] The projected increase in Chinese producers' capacity for 2003-2005 (***) is nearly equal to the exports to the United States in 2003 reported by responding Chinese producers (***). Although these responding Chinese producers operated at relatively high levels of capacity utilization during the period examined, Chinese producers' excess capacity in 2003 was equal to *** percent of reported Chinese subject exports to the United States in 2003.[56]

Inventories in the United States of subject imports from China increased sharply from 2001 to 2002, then fell in 2003. U.S. inventories of subject Chinese imports also fell between the interim periods.[57] All four responding producers reported the production of nonsubject merchandise on the same equipment as ironing tables, although the degree of product mixing varied greatly.[58]

While I found that subject imports from China do not currently have significant effects on U.S. prices, I concluded this largely based on the evidence that Chinese subject import prices oversold domestic product prices throughout the period examined. Based on the data from the latter portion of the period showing margins of overselling declining as Chinese subject import prices approached the level of

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[52] CR/PR, Table IV-1.

[53] CR/PR, Table IV-4.

[54] HPI filed its antidumping petition with Commerce and the Commission on June 30, 2003. The Commission made its preliminary affirmative determination on August 14, 2003. Commerce made its preliminary determination on February 3, 2004. Commerce made its final determination on June 24, 2004. CR at I-1, PR at I-1.

[55] Chinese producers' capacity to produce ironing tables increased from *** units in 2001 to *** in 2002, and continued to increase to *** units in 2003. Chinese producers' capacity is projected to increase to *** units in 2004 and *** units in 2005. CR/PR, Table VII-1.

[56] Calculated from CR/PR, Table VII-1. The foreign producer information reported to the Commission significantly understates the size of the Chinese ironing tables industry. In the final phase of this investigation, the Commission sent questionnaires to 23 Chinese firms believed to produce and/or export ironing tables; four companies provided usable data. In particular, Since Hardware, ***, provided no information in the final phase of the investigation. CR at VII-1, PR at VII-1. Including Since Hardware's data from its response to the Commission's preliminary phase questionnaire in the foreign producer data indicates that capacity was projected to grow to by nearly *** units, from an estimated *** units in 2003 to *** units in 2004. CR/PR, Table VII-2.

[57] U.S. importers' end-of-period inventories of subject imports from China increased from *** units in 2001 to *** units in 2002, then fell to *** units in 2003. Inventories fell from *** units in interim 2003 to *** units in 2004. CR/PR, Table VII-3. Data for 2003 and 2004, however, do not include inventories held by ***. CR/PR, Table VII-3 n.1.

[58] CR at VII-2, PR at VII-1.

domestic product prices, I conclude that underselling is likely to occur. Because subject imports from China are reasonably good substitutes for the domestic like product, particularly when they are of the same type, and price is important in ironing table purchasing decisions, underselling by these imports at increased quantities is likely to require domestic producers either to cut prices or run the risk of losing sales.

The domestic ironing table industry's operating performance, although still healthy, showed signs of declining at the end of the period. The data concerning the domestic industry's loss of market share and overall financial performance indicates that the domestic industry is vulnerable to material injury by additional volumes of subject imports.

Based on my review of the statutory threat factors,[59] I conclude that further imports of subject imports China are imminent[60] and that, absent issuance of an antidumping order, the domestic ironing tables industry would sustain material injury by reason of subject imports. Accordingly, I make an affirmative threat determination concerning LTFV imports from China.

CONCLUSION

For the foregoing reasons, I conclude that the domestic ironing tables industry is threatened with material injury by reason of LTFV imports from China.

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[59] I also reviewed information in the record pertinent to the statutory threat factor concerning existing development and production efforts of the domestic industry. Petitioners did not submit any information specifically addressing the nature of their efforts to develop derivative or advanced versions of ironing tables.

[60] Indeed, the quantity of subject imports ordered and/or delivered in the second and third quarters of 2004 suggest a rapid rebound in subject import volume from the lower, but still substantial, level reported in the first quarter of 2004. CR at VII-6 and nn. 9,10, PR at VII-3 and nn. 9,10.

PART I: INTRODUCTION

BACKGROUND

This investigation results from a petition filed by Home Products International, Inc. (HPI), Chicago, IL, on June 30, 2003, alleging that an industry in the United States is materially injured and threatened with material injury by reason of less-than-fair value (LTFV) imports of ironing tables and certain parts thereof from China.[1] Information relating to the background of the investigation is presented below.[2]

Date	*Action*
June 30, 2003	Petition filed with Commerce and the Commission; institution of Commission investigation
July 25, 2003	Commerce's notice of initiation
August 14, 2003 ...	Commission's preliminary determination
February 3, 2004 ..	Commerce's preliminary determination (69 F.R. 5127, February 3, 2004); scheduling of final phase of Commission investigation (69 F.R. 10753, March 8, 2004, and 69 F.R. 16954, March 31, 2004)
June 16, 2004	Commission's hearing[3]
June 24, 2004	Commerce's final determination (69 F.R. 35296, June 24, 2004)[4]
July 15, 2004	Commission's vote
July 28, 2004	Commission determination transmitted to Commerce

ORGANIZATION OF THE REPORT

Information on the subject merchandise, Commerce's dumping margins, and the domestic like product is presented in Part I. Information on conditions of competition and other economic factors is presented in Part II. Information on the condition of the U.S. industry, including data on capacity, production, shipments, inventories, and employment, is presented in Part III. Information on the volume of imports of the subject merchandise, apparent U.S. consumption, and market shares is presented in Part IV. Part V presents data on prices in the U.S. market. Part VI presents information on the financial experience of U.S. producers. Information on the subject country foreign producers and U.S. importers' inventories is presented in Part VII.

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[1] The merchandise subject to this investigation, floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof, is described in the section entitled "The Product" in Part I of this report.

[2] *Federal Register* notices cited in the tabulation are presented in app. A.

[3] App. B presents a list of witnesses appearing at the hearing.

[4] Commerce calculated the following final LTFV margins:

- Since Hardware (Guangzhou) Co., Ltd., 6.60 percent;
- Forever Holdings Ltd., 52.04 percent;
- Harvest International Housewares Ltd., 52.04 percent;
- Gaoming Lihe Daily Necessities Co., Ltd., 52.04 percent;
- Shunde Yongjian Housewares Co., Ltd., 113.80 percent; and
- PCR-wide rate, 113.80 percent. (69 F.R. 35296)

SUMMARY DATA

A summary of data collected in the investigation is presented in appendix C, tables C-1 through C-5. Except as noted, U.S. industry data are based on questionnaire responses of two firms that accounted for all of U.S. production of ironing tables and certain parts thereof during the period for which data were collected (January 2001 to March 2004).[5] U.S. imports are based on responses to Commission questionnaires; coverage is estimated to be 90 percent or greater.

SUMMARY OF MARKET PARTICIPANTS

The domestic industry producing ironing tables currently consists of one company, petitioner HPI. Whitney Design, a respondent in this investigation, produced ironing tables in the United States until closing its production facilities in April 2002. The largest known ironing table manufacturers in China are ***, which provided all requested data to the Commission, and ***, which did not. The largest U.S. importers are ***. The few known importers of ironing tables from countries other than China primarily import elite upper-end tables from Western Europe. Free-standing metal-top ironing tables are sold by the domestic producers and importers to mass retail stores such as Kmart, Wal-Mart, Sears, Target, and Family Dollar, as well as to distributors servicing the hospitality/hotel market. In the past, non-binding agreements with mass retailers provided for a specified volume of certain models to be delivered at a set price for a fixed term (usually one year). More recently, certain purchasers have conducted online reverse auctions, although this practice has been sporadic.[6] Ironing tables occasionally are bundled and sold with irons and other household items.[7]

THE PRODUCT

Commerce's Scope

For purposes of this investigation, Commerce has defined the subject merchandise, ironing tables and certain parts thereof,[8] as follows:

> (F)loor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this investigation.

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[5] Whitney Design, Inc. ceased ironing table production in April 2002.

[6] Reverse auctions involve vendors bidding against each other at decreasing sales prices. Such auctions typically involve offering a weighted-average price for a package of specified models and quantities. Petition, p. 8.

[7] Details on online reverse auctions and on bundled sales appear in Part V of this report.

[8] Commerce's definitions do not necessarily apply to the customs treatment of these goods under HTS.

Furthermore, this investigation specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this investigation, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means a product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, e.g. iron rest or linen rack. The term "incomplete" ironing table means a product shipped or sold as a "bare board" -- i.e., a metal-top table only, without the pad and cover -- with or without additional features, e.g. iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by this investigation under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The investigation covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or countertop models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.[9]

U.S. Tariff Treatment

As noted in Commerce's scope, the subject ironing tables were previously covered by Harmonized Tariff Schedule of the United States (HTS) statistical reporting number 9403.20.0010. Effective July 1, 2003, the subject ironing tables are imported under HTS statistical reporting number 9403.20.0011. The subject metal top and leg components are imported under HTS statistical reporting number 9403.90.8040. Products of China entering the United States under HTS subheadings 9403.20.00 and 9403.90.80 are free of duty.

Physical Characteristics and Uses

In this report the term "ironing *tables*" is used to distinguish the subject floor-standing metal-top product from "ironing *boards*," a term used to describe products excluded from the scope: countertop, tabletop, over-the-door, and wall-mounted ironing boards.[10] Ironing tables are used in households, hotel

[9] Tariff treatment of this product is presented in the next section of this report. Although the HTS statistical reporting numbers are provided for convenience and customs purposes, the written description of the scope is dispositive.

[10] Over-the-door and wall-mounted ironing boards are discussed in the section on "Domestic Like Product Issues." Countertop or tabletop ironing boards are not produced domestically, and therefore are not discussed in the aforementioned section. Countertop or tabletop ironing boards have a surface of particle board or expanded metal (for a superior ironing surface) that is attached to short legs that may or may not be retractable. The boards are

(continued...)

rooms, and workplaces for the purpose of pressing apparel and other textile items. The standard size of an ironing table is 48 to 54 inches in length and 13 to 18 inches in width. The table may be equipped with special features such as an iron rest or linen racks.[11]

Ironing tables and their components are produced from flat-rolled steel and wire, as well as fasteners, foam, corrugated carton, shrink film, and cotton fabric. The principal components of an ironing table are its metal ironing surface, hangers, ribs, foot cover, slide bar, handle, hinge, and legs.

The ironing surface of ironing tables is either mesh-top or perforated-top and is attached to either a T-leg or a 4-leg stand. The 4-leg stand is considered superior to the T-leg because it offers more stability. Typically T-leg ironing tables are offered at opening price points of $15 or less, while only the 4-leg is offered on the higher end models.[12] A T-leg is made of a single metal tube inserted into a metal leg base that is shaped as an inverted "T". A 4-leg ironing table has two legs, each made of two metal tubes that run parallel to each other, flair out to form a 4-footed base on the floor, and typically have a cross brace at or near the flair or at the end of the tubes. In each system, users press a lever that allows the legs to drop down and subsequently raise the height of the table or fold flat for storage.

Ironing tables reportedly are sold in as many as five different price point categories. The following tabulation describes ironing tables at various price points:[13]

1) Value / open price point (OPP) (*i.e.* HPI's *Wardro Table*) Perforated-top or mesh-top T-leg tables	$15 or less
2) Good (*i.e.* HPI's *Surefoot*) Mesh-top 4-leg tables	$15-$25
3) Better (*i.e.* HPI's *Ironing Pro2000*) Mesh-top 4-leg tables with iron rest or other added feature	$20-$50
4) Best (*i.e.* HPI's *Ultimate Ironing Table*) Mesh-top 4-leg tables with wider top, multiple built-in features, and chrome metal parts.	$30-$60
5) Elite / upper-end (*i.e.* Brabantia *Obelisk Ironing Table*) Mesh-top 4-leg table with wider tops, more stable surfaces, and more accessories.	$70 or more[14]

[10] (...continued)
typically 30 to 32 inches in length and 12 inches in width. *See* hearing transcript, testimony of Peter Graves, vice president of sales, HPI, p. 23.

[11] Hearing transcript, testimony of Peter Graves, senior vice president of sales, HPI, p. 21. *See also* questionnaire response of HPI, question V-8, p. 28.

[12] Hearing transcript, testimony of Calvin Scott, president, Polder, p. 153. *See also* hearing transcript, testimony of Peter Graves, vice president of sales, HPI, p. 74.

[13] ***, interview by USITC Staff, ***, February 25, 2004.

[14] These price categories differ somewhat from those described by Polder: (1) entry-level T-leg ironing boards sold on promotion at $10-$15; (2) standard ironing boards with 4 legs which sell for approximately $20-$25; (3) mid-price ironing tables, which are longer, wider, or built with heavier construction and have an additional feature such as a clothes rack, approximately $30-$50; and upper-end ironing tables with multiple enhancement features that retail for $75-$120. Hearing transcript, testimony of Calvin Scott, president, Polder, pp. 153-154.

More than three-quarters of ironing tables consumed in the United States reportedly are in the open price point category.[15] Ironing tables in the elite/upper end category, in contrast, were neither domestically produced nor imported from China during the period for which data were collected.

As recently as 1999, Chinese ironing tables in the middle and lower price ranges generally were considered by *** to be of inferior quality to domestically produced ironing tables.[16] However, since 2000, the U.S. market has witnessed continual improvement in the quality of Chinese ironing tables, although some generalized differences remain.

U.S. imports of ironing tables from China are exclusively mesh-top, while the majority of domestic ironing tables are perforated.[17] HPI has the capability of producing a mesh-top or perforated-top table, but produces more perforated-top tables as ***. While in operation, Whitney Design *** produced perforated-top T-legs.[18] Chinese manufacturers, in contrast, reportedly produce only mesh-top tables through a labor-intensive production process. None of the companies responding to the Commission's questionnaires reported producing, exporting, or importing perforated-top tables from China.

It is generally accepted that mesh-top tables allow for slightly greater steam penetration than perforated-top tables and thus are marketed as providing a better ironing result for the user.[19] At the Commission's hearing, however, domestic producer HPI and former producer Whitney Design appeared to downplay the actual significance of this distinction between mesh-top and perforated-top ironing tables.[20] Although some retailers *** express their belief that a mesh-top table is superior to a perforated-top table and there are examples of marketing ads that advocate the merits of a mesh-top table,[21] most retailers did not express a preference for the type of top at opening price points.[22] Individual

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[15] Conference transcript, testimony of Peter Graves, senior vice president of sales, HPI, pp. 42 and 47. *See also* questionnaire response of ***, question IV-B-14, p. 20.

[16] ***, interview by USITC Staff, ***, February 25, 2004.

[17] In 2003, *** of the *** ironing tables that HPI produced (*** percent) were mesh-top. Questionnaire response of HPI, question II-10, p. 5.

[18] Questionnaire response from Whitney Design, question II-10, p. 6.

[19] According to a test conducted by ***, steam escapement was *** percent greater for a mesh-top ironing table than for a perforated-top ironing table. Calculated from Petitioner's Posthearing Brief, exh. 7.

[20] *See, e.g.,* hearing transcript, testimony of James Glenn, president, Whitney Design, pp. 201-02 (discussing the historical marketing of ironing tables, the distinction between "real" value and "perceived" value, and characterizing the benefits of a mesh-top ironing table to the steam process as "marginal"). *See also* hearing transcript, testimony of Joe Deppen, vice president of manufacturing, HPI, pp. 91-92 (indicating that perforated-top and mesh-top ironing tables are "pretty much the same" to HPI; although mesh-top tables require "slightly more" labor to produce, the ironing tables are "pretty much interchangeable" in terms of durability and functionality).

[21] Hearing transcript, testimony of James Glenn, president, Whitney Design, pp. 180 and 201-02. *See also* HPI's marketing brochure a description of StableTable includes the following, "SteamPress vented top for faster ironing. Even steam flow produces better results. Encased mesh top with no sharp edges..." ***, interview by USITC Staff, ***, February 25, 2004. Conference transcript, testimony of Lisa Brumm, buyer, Target Corporation, pp. 101, 109-110. *See also* questionnaire responses from Whitney Design and HPI, question IV-B-15, pp. 21 and 17. Producer and customer perceptions regarding the interchangeability of perforated-top and mesh-top ironing tables are presented in part II of this report.

[22] Question III-21-b in the purchasers' questionnaire posed the following question: "How important are differences in quality between mesh-top and perforated-top ironing tables for your firm's purchases?" Nine firms, ***, responded that it was "not important"; three, ***, responded it was "somewhat important"; and three, ***, responded that it was "very important".

consumers do not appear to use the type of top as a factor in their purchasing decision, either because they are not aware of the difference or they consider the two tops to be substitutable.[23]

Production Process

Ironing tables currently are produced in China, Europe, and the United States, primarily from flat-rolled steel and wire.[24] The production of ironing tables involves common capital equipment such as a metal roll-former, punch press, welding equipment, and painting facilities. The metal top may be formed by various processes, including pressing, stamping, and punching. Alternatively, much of the production may be accomplished by hand, with tools such as hand benders and welders, wire cutters, metal shears, and a sewing machine for covers.[25] The production process in the United States reportedly is far more capital-intensive than the production process in China.

According to the petitioner, flat-rolled steel is first formed into various parts. In a perforated-top, flat-rolled steel is pressed by a die to form the top. However, for a mesh-top, steel is processed through a metal expanding machine and then is cut into the top shape by a die. The rim is then crimped and the parts joined through welding. This metal ironing surface is then welded to a set of tracks (hangers) that run the full length of the table. These hangers are stamped on a punch press. Ironing tables also contain vertical supports, known as ribs, that are formed on a roll former.[26] The legs are manufactured from steel tubing that is bent in an automatic leg-bending machine. The tops and legs are painted, brought to a gas oven to cure the paint, and then attached. The legs are connected to the hangers by a stamped piece of metal known as a hinge bar and are connected to the ribs with a slide bar.[27] A height-adjusting handle, made on a wire machine, is also added to the ironing table. The pad and cover can then be added to the ironing table before it is shrink-wrapped and packed in a carton.[28]

DOMESTIC LIKE PRODUCT ISSUES

The Commission's determination regarding the appropriate domestic products that are "like" the subject imported products is based on a number of factors including (1) physical characteristics and uses; (2) common manufacturing facilities and production employees; (3) interchangeability; (4) customer and producer perceptions; (5) channels of distribution; and, where appropriate, (6) price, all of which are discussed below. In the preliminary phase of this investigation, the Commission defined the domestic like product as coextensive with the scope, but indicated that it might re-examine the issue.[29]

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[23] Hearing transcript, testimony of Fred Ikensen, counsel, Blank Rome, p. 94. *See also* hearing transcript testimony of James Glenn, president, Whitney Design, pp. 201-02.

[24] HPI ironing tables are made from cold-rolled steel with a *** inch thickness. Ironing tables from China have a *** inch thickness, according to the petitioner. ***, interview by USITC Staff, ***, February 25, 2004.

[25] Petition, p. 4.

[26] Hearing transcript, Joe Deppen, vice president of manufacturing, HPI, pp. 41-47. *See also* ***, interview by USITC Staff, ***, February 25, 2004.

[27] Hearing transcript, Joe Deppen, vice president of manufacturing, HPI, pp. 41-47. *See also* ***, interview by USITC Staff, ***, February 25, 2004.

[28] Reportedly, more than 90 percent of ironing tables are sold with pads installed. Hearing transcript, James Glenn, president, Whitney Design, p. 200.

[29] The Commission stated in its Views that "(w)e may reconsider this issue in the final phase of this investigation should the parties argue that we should expand the definition of the domestic like product, but note that the parties must specify what, if any, additional data the Commission should collect before we issue questionnaires in the final

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The parties differ as to whether the definition of domestic like product should be expanded to include different forms of ironing boards.[30] Petitioner advocates a domestic like product coextensive with Commerce's scope.[31] *** asserted that ironing boards should not be included in the definition as they are marketed to a different demographic than ironing tables, e.g., a consumer, such as a college student, with severe storage space constraints. HPI holds a patent for over-the-door ironing boards until 2007, but does not produce countertop boards or wall-mounted ironing boards. Respondent Whitney Design indicated that the Commission should expand the domestic like product to include over-the-door boards as they are produced in the same facilities and used for the same purpose as ironing tables.[32] In its questionnaire response, *** reported that it views ironing boards as interchangeable with ironing tables, and identified prices as the primary distinction between products for retailers.[33]

Physical Characteristics and Uses

Ironing tables, over-the-door ironing boards, and wall-mounted ironing boards share the same functional role, to provide a surface area for pressing clothing and other items. These ironing boards are distinguished by some of their physical characteristics, specifically their size, portability, storage requirements, and by the fact that over-the-door and wall-mounted ironing boards lack true legs.

Over-the-door ironing boards consist of a metal ironing surface that is attached to a door. The table surface dimensions typically are 42 inches in length and 15 inches in width. When in use, the board is opened perpendicular to and supported by the door; when not in use, it is folded up against the door for storage.[34]

Wall-mounted ironing boards are sold in kits or require a carpenter to build a customized cabinet on a wall in which the ironing board is permanently enclosed. When used, the ironing board drops down to expose the ironing surface, which is approximately 42 inches in length and 15 inches in width.[35]

Manufacturing Facilities and Production Employees

Over-the-door ironing boards are produced in the United States exclusively by patent holder HPI.[36] The ironing boards are produced in the same facility and with the same employees as ironing tables. In addition, the equipment used to manufacture parts and pack over-the-door ironing boards is the

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[29] (...continued)
phase of the investigation." *Ironing Tables and Certain Parts Thereof from China*, Investigation No. 731-TA-1047 (Preliminary), USITC Publication No. 3623, August 2003, p. 8. No party identified additional data requirements related to the domestic like product in comments regarding drafts of the Commission's questionnaires.

[30] Over-the-door and wall-mounted ironing boards are produced in the United States. In contrast, there is no known domestic production of countertop or tabletop ironing boards.

[31] Petitioner's Posthearing Brief, app. A-2 through A-4. *See also* hearing transcript, testimony of Peter Graves, vice president of sales, HPI, p. 52 and hearing transcript, testimony of Michael Bradley, professor of economics, The George Washington University, p. 95.

[32] Respondents' Posthearing Brief, p. 1. *See also* hearing transcript, testimony of William Perry, counsel, Garvey Schubert Barer, pp. 198-99.

[33] Questionnaire response by ***, question V-8, pp. 31-32.

[34] Questionnaire response of ***, question V-8 (a), p. 28.

[35] Questionnaire response of ***, question V-8 (a), p. 28.

[36] HPI's patent expires in 2007. ***, interview by USITC Staff, ***, February 25, 2004.

same that is used for floor-standing ironing tables. However, different die and fabrication equipment is required for over-the-door ironing boards due to their unique dimensions.[37]

Wall-mounted ironing boards are not produced by either HPI or Whitney Design, and therefore use different facilities and employees. There are two known domestic manufacturers of wall-mounted ironing boards, Iron-A-Way and Rev-A-Shelf. Neither firm produces over-the-door ironing boards or subject ironing tables.[38]

Interchangeability and Customer and Producer Perceptions

Seven purchasers, ***, reported that they believed individual customers did not perceive ironing boards (either wall-mounted, over-the-door, or countertop) to be interchangeable with ironing tables.[39] Four purchasers, ***, indicated they were unaware of whether individual consumers perceived ironing boards and ironing tables to be interchangeable.[40] One purchaser, ***, indicated it believed that its customers considered the products to be interchangeable.[41] One purchaser, ***, did not respond.[42]

The two domestic producers disagree as to whether ironing tables and over-the-door ironing boards or wall-mounted ironing boards are interchangeable. *** does not perceive any ironing board to be a substitute for an ironing table, as ironing boards are a niche product that appeal to consumers with living space constraints.[43] *** asserts that ironing boards are interchangeable with ironing tables as they fill the same function and differ only in methods of storage and portability.[44]

Channels of Distribution

Ironing tables are sold by U.S. producers and importers to mass retail stores and distributors servicing the hospitality/hotel market. As discussed above in the summary of Market Participants section, purchases generally are conducted through non-binding agreements with mass retailers that provide for a specified volume of certain models to be delivered at a set price for a fixed term. Over-the-door ironing boards are sold in mass market channels, whereas wall-mounted ironing boards are sold through small businesses and occasionally through major distributors.[45]

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[37] ***, interview by USITC Staff, ***, February 25, 2004.

[38] There is limited information on these firms. Although both companies were issued questionnaires by the Commission, neither responded.

[39] ***, telephone interview by USITC Staff, May 25 and 26, 2004. Questionnaire response by ***, question VII-1, p. 21.

[40] Questionnaire responses by ***, question VII-1, p. 21.

[41] Questionnaire response by ***, question VII-1, p. 21.

[42] Questionnaire response by ***, question VII-1, p. 21.

[43] Questionnaire response of ***, question V-8 (a), p. 31.

[44] Questionnaire response of ***, question V-8 (a), p. 31.

[45] ***, telephone interview by USITC Staff, May 10, 2004.

Price

In 2003, the price for over-the-door ironing boards (***) was slightly greater than the price for perforated-top T-leg ironing tables (***).[46] Wall-mounted ironing boards, in contrast, are more expensive than ironing tables, retailing for between $100 and $500.[47]

[46] Questionnaire response by HPI, question IV-B-16, p. 17.

[47] ***, telephone interview by USITC Staff, May 10, 2004.

PART II: CONDITIONS OF COMPETITION IN THE U.S. MARKET

Current suppliers of ironing tables to the U.S. market primarily consist of HPI and importers of ironing tables from China. Among purchasers of ironing tables, three firms account for the majority of purchases in the U.S. market. These three firms are Kmart, Target, and Wal-Mart, which together accounted for approximately *** percent of apparent U.S. consumption in 2003.[1]

CHANNELS OF DISTRIBUTION

In the U.S. market, both domestically produced and imported ironing tables are sold primarily to retailers. Available data for 2003 indicate that *** percent of sales by HPI and virtually all sales by U.S. importers were to retailers (or, in the case of ***, the U.S. importer was itself a retailer).

During the period for which data were collected, HPI and Whitney Design were the sole U.S. producers of ironing tables in the U.S. market, and supplied most of the market. Whitney Design ended U.S. production in 2002 and now exclusively imports ironing tables from China. To some extent, different producers and importers have different emphases among the types of ironing tables (standard versus high-end).[2] For example, *** primarily sell standard ironing tables to mass merchandisers, while *** emphasize sales of higher end ironing tables to specialty stores.[3] [4]

There are a relatively large number of ironing table purchasers in the U.S. market.[5] The largest group of ironing table purchasers by volume, however, are mass merchandisers such as Wal-Mart, Target, and Kmart. Indeed, most producer and importer sales of ironing tables are to these retailers, which then sell directly to consumers. Nonetheless, there are some distributors, such as *** and ***.[6] Other purchasers include hardware stores, home improvement stores, and other discount stores. There has been a substantial decrease in the number of retailer purchasers in the last few years, with department stores such as Ames, Bradley, Caldor, Service Merchandise, and Venture exiting the market, and Kmart entering bankruptcy (and hence closing a number of stores).[7]

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[1] ***.

[2] HPI and Polder provided general descriptions of the varying quality levels for ironing tables. *See* Petitioner's Prehearing Brief, p. 25, and the hearing transcript, testimony of Calvin Scott, president, Polder, pp. 153-154.

[3] Polder described its customers as big box specialty stores (e.g., Bed Bath & Beyond, the Container Store, etc.) that are different from the larger mass merchandisers in that they sell to customers willing to pay higher prices for additional features. Polder said that it does not compete with HPI in the standard or lower end ironing tables. Hearing transcript, testimony of Calvin Scott, president, Polder, pp. 152 and 154-155.

[4] ***.

[5] *** reported more than *** accounts.

[6] Hotels tend to buy through a single distributor, ***; sales to *** generally account for less than *** percent of *** sales. ***, telephone interview by USITC staff, July 30, 2003. Polder described hotel customers as wanting lower priced ironing tables. Conference transcript, testimony of Calvin Scott, president, Polder, p. 79.

[7] According to respondents, the decrease in the overall number of retailer purchasers increased the buying power of Kmart, Target, and Wal-Mart; however, no individual retailer that exited the market had a major impact. Respondents stated that Kmart, Target, and Wal-Mart have always had significant buying power irrespective of the increased consolidation among purchasers. Hearing transcript, testimony of James Glenn, president, Whitney Design, pp. 186-187, 190-191.

SUPPLY AND DEMAND CONSIDERATIONS[8]

U.S. Supply

Based on available information, HPI has the ability to respond to changes in demand with moderately large changes in the quantity of shipments of U.S.-produced ironing tables to the U.S. market. The main factor contributing to this degree of responsiveness is the availability of unused capacity.

Industry Capacity

Data reported by U.S. producers HPI and Whitney Design indicate there is excess capacity with which to expand production in the event of price changes. Domestic capacity utilization decreased from *** percent in 2001 to *** percent in 2003 despite a reduction in average capacity following Whitney Design's cessation of U.S. production. Capacity utilization was *** percent in the first quarter of 2004, as compared to *** percent in the first quarter of 2003.

Inventory Levels

U.S. producers' inventories of ironing tables, as a ratio to total shipments, increased irregularly from *** percent in 2001 to *** percent in 2003. Inventories were equivalent to *** percent of annualized total shipments in the first quarter of 2004 as compared to *** percent in the same time frame in 2003. These data indicate that HPI has some limited ability to use inventories as a means of increasing shipments to the U.S. market.

Export Markets

Exports decreased from *** percent of total shipments in 2001 to *** percent in 2003. Exports accounted for *** percent of total shipments in the first quarter of 2004, compared to *** percent in the first quarter of 2003. These data suggest that HPI has some ability to divert shipments to or from alternate markets in response to changes in the price of ironing tables in the U.S. market.

U.S. Demand

Based on available information, the overall demand for ironing tables is likely to exhibit little change in response to changes in price. The main factor contributing to this degree of price sensitivity is the infrequent and long-lasting nature of consumer purchases, offsetting the availability of ironing boards outside of the scope of this investigation that are viewed by some purchasers as potential substitutes for ironing tables.

Demand Characteristics

HPI describes demand for ironing tables as inelastic at the consumer level. According to HPI, ironing table demand is based around home purchases and household formation, meaning purchases are infrequent and not price dependent. The long-lasting nature of ironing tables also makes consumers less

[8] Reported data on Chinese production capacity, production, capacity utilization, inventories, and exports of ironing tables are shown in detail in Part VII of this report.

likely to purchase one because of moderate price declines.[9] Nonetheless, price competition for sales to retailers can be intense, since mass merchandisers typically only stock one brand of each type of ironing table (i.e., T-leg, 4-leg, etc.).[10]

HPI described the U.S. ironing table market as a mature market characterized by demand growth of less than four percent annually.[11] In contrast, importer Whitney Design stated that several factors were working to restrain current demand at the consumer level, citing market satiation due to continued low HPI prices since 1998, competitively priced substitute products, workplace trends toward more casual and wrinkle-free clothing, and a growing consumer preference, even at mass merchandisers, for higher end ironing tables instead of the lower end, traditional T-legs and 4-legs.[12] *** also noted an increase in demand for higher priced ironing tables with more features. Polder added that mass merchandisers are moving toward selling more expensive, feature-laden models, and cited Kmart's use of HPI's Chinese-made ironing tables in its Martha Stewart line.[13] *** stated that there had not been any significant changes in demand, while *** stated that demand at its stores had increased in the United States.[14] [15]

Substitute Products

Responses from HPI, importers, and purchasers reveal that just under half of the responding firms (9 out of 19, ***) believe that there are substitutes for ironing tables. Among importers, *** reported that the primary substitutes for ironing tables are ironing boards outside of the scope of this investigation. *** listed (in order of importance) tabletop ironing boards, over-the-door ironing boards, and wall-mounted ironing boards as possible substitutes, while *** listed (in order of importance) tabletop ironing boards, wall-mounted ironing boards, and over-the-door ironing boards. Purchasers' responses were quite varied in terms of the order of importance for the aforementioned possible substitute products. For example, *** listed (in order of importance) tabletop ironing boards and over-the-door ironing boards,[16] *** listed over-the-door ironing boards and tabletop ironing boards, *** listed

[9] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, pp. 20-21. Respondents appear to be in general agreement based on hearing testimony. *See* hearing transcript, testimony of James Glenn, president, Whitney Design, pp. 204-205.

[10] Conference transcript, testimony of Lisa Brumm, buyer, Target, pp. 135-136.

[11] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, p. 21.

[12] Conference transcript, testimony of James Glenn, president, Whitney Design, pp. 67 and 71-72.

[13] Hearing transcript, testimony of Calvin Scott, president, Polder, p. 155.

[14] Response reflects data from the preliminary phase of this investigation for ***. *** provided very limited information in the final phase of this investigation.

[15] Available information from responses to Commission questionnaires indicates that apparent U.S. consumption of ironing tables decreased irregularly from *** units in 2001 to *** units in 2003.

[16] ***. The company noted in its purchasers' questionnaire response that, while these substitute products may be used for pressing clothes, they may have fiberboard tops which reduces their effectiveness.

wall-mounted ironing boards and over-the-door ironing boards, *** listed wall-mounted ironing boards and tabletop ironing boards, and *** listed only tabletop ironing boards.[17] [18]

SUBSTITUTABILITY ISSUES

The degree of substitution between domestic and imported ironing tables depends upon such factors as relative prices, quality, and conditions of sale. Based on available data, staff believes that there is a relatively high degree of substitution between domestic ironing tables and subject imports from China.

Factors Affecting Sales

Table II-1 summarizes purchasers' responses concerning their top three factors in purchase decisions. As indicated in the table, quality was cited most frequently as the primary factor in buying decisions, while price and availability/reliability of supply were also frequently cited among the top three factors.[19] [20]

Table II-1
Ironing tables: Ranking factors used in purchasing decisions, as reported by U.S. purchasers

Factor	Number of firms reporting		
	Number one factor	Number two factor	Number three factor
Availability/reliability of supply	2	2	9
Price	2	7	4
Quality	8	3	1
Other[1]	3	3	1

[1] Other factors include current vendor of record, innovation, and ability of supplier to provide "total program support."

Source: Compiled from data submitted in response to Commission questionnaires.

When asked how often their firm purchases ironing tables that are offered at the lowest price, no purchasers indicated "always," five (***) indicated "usually," seven (***) indicated "sometimes," and three indicated "never." Questions concerning purchasers' awareness of the country of origin and the manufacturer indicate that 14 of 15 responding purchasers (***) "always" or "usually" know whether the

[17] HPI and importers were asked to provide estimated price ranges for their firm's U.S. shipments of ironing tables or ironing boards. A compilation of all responses reveals that perforated-top T-leg ironing tables range in price from $6.47 to $11.37, mesh-top T-leg ironing tables range in price from $4.14 to $15.68, mesh-top 4-leg ironing tables range in price from $5.83 to $35.00, over-the-door ironing boards range in price from $9.49 to $13.25, and tabletop ironing boards range in price from $1.51 to $10.80. No firm provided responses for perforated-top 4-leg ironing tables.

[18] This discussion focuses on potential substitute products. Producer and customer perceptions regarding the actual interchangeability of ironing tables and ironing boards outside of the scope of this investigation are presented in Part I of this report.

[19] ***.

[20] Purchasers were asked if they require their suppliers to become certified or prequalified (i.e., products and/or services must meet or exceed a predetermined level of quality) in order to sell to their firms. Of the 15 responding purchasers, eight (***) stated that they require suppliers to become certified or prequalified.

ironing tables they are purchasing are U.S.-produced or imported. Regarding the manufacturer, four of 15 responding purchasers "always" know this information, six firms (***) reported that they "usually" know this information, four firms (***) reported that they "sometimes" know this information, and one firm reported that it "never" knows this information.

HPI, importers, and purchasers were asked to discuss the importance of additional features (e.g., iron rests, cord holders, clothes racks) in their sales/purchases of ironing tables. *** reported that additional features are "somewhat" important, but generally are not important on the opening price point ironing tables (which reportedly account for more than three quarters of the U.S. market). According to ***, as the price increases, the additional features become more important. Among other responding importers, *** reported that such features are "very" important, *** reported that such features are "somewhat" important, and *** reported that such features are not important. Of the 15 responding purchasers, three firms *** reported that such features are "very" important, nine firms (***) reported that such features are "somewhat" important, and three firms reported that such features are not important.

HPI, importers, and purchasers were also asked to discuss the interchangeability of mesh-top and perforated-top ironing tables. *** reported that they are interchangeable, while *** reported that they are not interchangeable because mesh-top ironing tables offer a superior ironing surface (but ***).[21] Among other responding importers, *** reported that mesh-top and perforated-top ironing tables are interchangeable, while *** reported that they are not interchangeable. Of the 15 responding purchasers, eight (***) reported that mesh-top and perforated-top ironing tables are interchangeable while the other seven purchasers (***) reported that they are not interchangeable.[22]

Regarding the importance of differences in quality between mesh-top and perforated-top ironing tables, *** reported that such differences are "somewhat" important while *** reported that such differences are not important. Among the other responding importers, *** reported that such differences are "very" important, *** reported that such differences are "somewhat" important, and *** reported that such differences are not important.[23] Of the 15 responding purchasers, three firms (***) responded that such differences are "very" important, three firms (***) responded that such differences are "somewhat" important, and nine firms (***) responded that such differences are not important.[24]

Comparison of Domestic Product and Subject Imports

Questionnaire responses reveal general agreement on the issue of interchangeability between U.S.-produced and subject ironing tables (table II-2); however, U.S. producers and importers showed more diversity regarding the significance of factors other than price (table II-3).

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[21] At the hearing, Whitney Design stated that, in most instances, retailers are primarily interested in price and are not specifically requesting perforated-top or mesh-top ironing tables. Hearing transcript, testimony of James Glenn, president, Whitney Design, p. 180.

[22] At the conference, Target stated that, ". . . the Chinese industry is supplying a different product to the U.S. market, mesh-top ironing tables, which are an alternative and improvement over the traditional perforated-top table made almost entirely by the domestic industry. The availability of this product and its added components and not simply the lowest offered price is what Target seeks regardless of whether the sale is by direct relationship or so-called reverse auction." Conference transcript, testimony of Lisa Brumm, buyer, Target, p. 101.

[23] ***.

[24] HPI, importers, and purchasers were asked whether a price premium exists between mesh-top and perforated-top ironing tables. ***.

Table II-2
Ironing tables: Perceived degree of interchangeability between ironing tables produced in the United States and in other countries in sales/purchases of ironing tables in the U.S. market

Country pair	U.S. producers' responses[1 2]					U.S. importers' responses[1 2]					U.S. purchasers' responses[3]				
	A	F	S	N	O	A	F	S	N	O	A	F	S	N	O
U.S. vs. China	***					6	--	2	--	1	11	--	--	--	3
U.S. vs. other	***					4	--	3	1	1	5	--	--	--	9
China vs. other	***					4	--	3	--	2	5	--	--	--	9

1 ***.
2 ***.
3 ***.

Note -- A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

Source: Compiled from data submitted in response to Commission questionnaires.

Table II-3
Ironing tables: Perceived importance of differences in factors other than price between ironing tables produced in the United States and in other countries in sales of ironing tables in the U.S. market

Country pair	U.S. producers' responses[1 2]					U.S. importers' responses[1 2]				
	A	F	S	N	O	A	F	S	N	O
U.S. vs. China	***					2	--	4	2	1
U.S. vs. other	***					3	--	2	2	2
China vs. other	***					1	--	3	2	3

1 ***.
2 ***.

Note -- A = Always, F = Frequently, S = Sometimes, N = Never, O = No familiarity.

Source: Compiled from data submitted in response to Commission questionnaires.

According to ***, there is no product produced in the United States that is comparable to what it imports from China. *** reported that it focuses on better quality, feature-loaded ironing tables that are only produced in China and Europe. *** further stated that U.S.-produced ironing tables are lower priced, lower quality products that do not fit well into its segment of the U.S. market.

Purchasers were asked to rate a number of factors in terms of their importance in purchase decisions for ironing tables, as well as rate domestically produced ironing tables against ironing tables imported from China using these same factors. Purchasers' responses are presented in table II-4.[25]

ELASTICITY ESTIMATES

U.S. Supply Elasticity

The domestic supply elasticity for ironing tables measures the sensitivity of the quantity supplied by the U.S. producer to changes in the U.S. market price for ironing tables. The elasticity of domestic supply depends on several factors, including the level of excess capacity, the existence of inventories, and the availability of alternate markets for U.S.-produced ironing tables. Previous analysis of these factors indicates that the U.S. industry is likely to have the ability to increase or decrease shipments to the U.S. market, due primarily to unused capacity. An estimate in the range of 5 to 8 is suggested. No party commented on this estimate.

U.S. Demand Elasticity

The U.S. demand elasticity for ironing tables measures the sensitivity of the overall quantity demanded to changes in the U.S. market price for ironing tables. This estimate depends on the factors discussed earlier, such as the existence, availability, and commercial viability of substitute products. As noted earlier, just over half of the responding firms stated that there are potential substitute products for ironing tables, primarily ironing boards outside of the scope of this investigation.

The petitioner noted in its prehearing brief that the existence of potential substitutes is not incongruent with a finding of inelastic demand,[26] and respondents appear to be in general agreement based on hearing testimony.[27] Based on the statements of both parties, staff has adjusted this estimate to -0.25 to -0.75.

Substitution Elasticity

The elasticity of substitution depends upon the extent of product differentiation between the domestic and imported products. Product differentiation, in turn, depends upon such factors as quality and conditions of sale. Based on available information, the elasticity of substitution between U.S.-produced ironing tables and ironing tables from China is estimated to be in the range of 2 to 5. No party commented on this estimate.

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[25] Purchasers were also asked how often domestically produced and imported subject ironing tables meet minimum quality specifications. Nine of 13 purchasers (***) reported that domestically produced ironing tables "always" meet such specifications, three purchasers reported that the U.S. product "usually" meets such specifications, and one purchaser reported that the U.S. product "sometimes" meets such specifications. Regarding imported subject ironing tables, seven of 11 purchasers (***) reported that the subject product "always" meets such specifications and four purchasers reported that the subject product "usually" meets such specifications.

[26] Petitioner's Prehearing Brief, p. 17.

[27] Hearing transcript, testimony of James Glenn, president, Whitney Design, pp. 204-205.

Table II-4
Ironing tables: Importance of purchase factors and comparisons of U.S. product with Chinese product, as reported by purchasers

Factor	Importance			U.S. vs. China[1]		
	V	S	N	S	C	I
	Number of purchaser responses					
Ability to bundle	1	3	11	1	7	0
Availability	14	1	0	3	7	0
Delivery terms	9	5	1	2	7	1
Delivery time	12	2	1	3	4	1
Discounts offered	7	6	2	2	7	0
Extension of credit	2	5	8	2	7	0
Lower price	13	2	0	1	4	4
Lower U.S. transportation costs	7	4	4	2	6	0
Minimum quantity requirements	7	3	5	2	5	1
Multiple sources of supply	2	7	6	(2)	(2)	(2)
Packaging	8	4	3	1	8	0
Product consistency	14	0	1	1	9	0
Product range	6	7	2	1	8	1
Quality meets industry standards	15	0	0	1	9	0
Quality exceeds industry standards	11	4	0	0	8	1
Reliability of supply	14	0	1	2	8	0
Technical support/service	4	8	3	1	8	0

[1] Ten purchasers responded to this section of the questionnaire, and not all responding purchasers provided a rating for each factor.
[2] Not applicable.

Note.– For importance, V=very important, S=somewhat important, N=not important. For the country comparisons, S = U.S. product is superior, C = both countries' products are comparable, I = U.S. product is inferior.

Source: Compiled from data submitted in response to Commission questionnaires.

PART III: U.S. PRODUCERS' PRODUCTION, SHIPMENTS, AND EMPLOYMENT

The Commission analyzes a number of factors in making injury determinations (see 19 U.S.C. §§ 1677(7)(B) and 1677(7)(C)). Information on the margins of dumping was presented earlier in this report and information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V. Information on the other factors specified is presented in this section and/or Part VI and (except as noted) is based on the questionnaire responses of two firms that accounted for all U.S. production of ironing tables and certain parts thereof during the period for which data were collected.[1]

U.S. PRODUCERS

As shown in table III-1, petitioner HPI and respondent Whitney Design both produced ironing tables during the period for which data were collected, and both experienced ironing table plant closures. The petitioner reported opening a new plant in El Paso, TX, to produce ironing tables in January 2000. This production was terminated and certain production equipment from this facility was relocated to its Seymour, IN, plant in the first quarter of 2001, ***.[2] The other producer, Whitney Design, closed its St. Louis, MO, ironing table production facility in April 2002, ***.[3] Whitney Design attributed this closure to its conclusion that the company's "...facilities were old and inefficient and had become unprofitable at prices that HPI had established in the market in the late nineties through 2002...."[4] Whitney Design, which is *** owned by Tricor Consumer Products, Inc., ***.

Table III-1
Ironing tables: U.S. firms, positions on the petition, U.S. production locations, related and/or affiliated firms, and shares of 2003 reported U.S. production of ironing tables

Firm name	Position on Petition	U.S. production locations	Related and/or affiliated firms	Share of production
Current Domestic Producer				
HPI	Support	Seymour, IN	None	100 percent
Former Domestic Producer				
Whitney Design	***	St. Louis, MO	Owned by Tricor Consumer Products, Inc.	([1])

[1] Whitney Design ceased production of ironing tables in April 2002.

Source: Data compiled from responses to Commission questionnaires.

[1] Neither producer reported production or sales of ironing table parts.

[2] The El Paso, TX, facility is still operational. After HPI ***, however, HPI converted the *** square feet of ironing table manufacturing area into warehouse space. Petitioner's Posthearing Brief, p. A-64.

[3] Questionnaire response by Whitney Design, question II-2, p. 3.

[4] Hearing transcript, testimony of James Glenn, president, Whitney Design, p. 146. *See also* Respondents' Posthearing Brief, p. 2.

U.S. CAPACITY, PRODUCTION, AND CAPACITY UTILIZATION

U.S. capacity, production, and capacity utilization for HPI and Whitney Design are presented in table III-2.[5] Overall capacity declined as a result of Whitney Design's termination of its U.S. production of ironing tables in 2002. Declining production and capacity utilization between 2001 and 2003, however, reflect diminished production by both companies. Overall, capacity decreased by *** percent between 2001 and 2003; production declined by *** percent; and capacity utilization fell by *** percentage points. In January-March 2004, however, capacity was unchanged from the level reported for January-March 2003; production was *** percent higher than in January-March 2003; and capacity utilization was *** percentage points higher than in January-March 2003.

As shown in table III-3, domestic production of ironing tables is concentrated in perforated-top T-leg models, although a substantial minority of production is in mesh-top 4-leg models. Mesh-top 4-leg models have accounted for an increasing share of domestic production since the closure of Whitney Design's production operations, even though production levels have declined.[6]

Table III-2
Ironing tables: U.S. producers' capacity, production, and capacity utilization, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table III-3
Ironing tables: U.S. production of ironing tables by type, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

U.S. PRODUCERS' IMPORTS

Both HPI and Whitney Design imported subject merchandise from China during the period for which data were collected.[7] HPI reported that it imported ironing tables from China because it could not compete with Chinese-produced ironing tables in some higher end price categories, but wanted to be able to provide its clients with a complete range of tables.[8] Whitney Design reported during the period for which it produced ironing tables domestically it "imported the relatively small volumes of higher end

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[5] HPI reportedly has the capacity to produce *** mesh-top and *** perforated-top tables annually. The manufacturing bottle-neck that constrains HPI's capacity is in its ***. ***, telephone interview by USITC staff, June 21, 2004; Petitioner's Posthearing Brief, p. A-11. The manufacturing process is described in the section of this report entitled "Production Process."

[6] Mesh-top 4-leg models accounted for *** percent of domestic production in 2001, *** percent in 2002, and *** percent in 2003.

[7] ***.

[8] Conference transcript, testimony of Peter Graves, senior vice president of sales and marketing, HPI, p. 22. *See also* Petitioner's Posthearing Brief, exh. 5 (more than *** percent of HPI's imports during the period for which data were collected reportedly had a retail price of $*** or above).

ironing tables to complement their line of standard ironing tables."[9] Whitney Design asserts that it closed production due to what it characterized as HPI's "aggressive" pricing techniques.[10] According to Whitney Design, "***."[11] [12]

As shown in table III-4, *** between 2001 and 2003, and ***. By 2002, ***'s imports of ironing tables ***. As shown in table III-5, however, for the ***, the company's ***.

Table III-4
Ironing tables: U.S. producers' total imports (quantity) and imports as a percentage of total production, by firm, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table III-5
Ironing tables: U.S. producers' quantity of production and imports, by month, 2001-02

* * * * * * *

U.S. PRODUCERS' SHIPMENTS

As shown in table III-6, both U.S. shipments of domestically produced ironing tables and exports of domestically produced ironing tables decreased between 2001 and 2003.[13] While U.S. shipments were higher in January-March 2004 than in January-March 2003, U.S. exports were lower. HPI and Whitney Design exported ironing tables to ***.

Table III-6
Ironing tables: U.S. producers' shipments and exports of ironing tables, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

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[9] Respondents' Postconference Brief, p. 18.

[10] Respondents' Postconference Brief, pp. 4-6. *See also* conference transcript, testimony of James Glenn, president, Whitney Design, p. 67-68.

[11] Questionnaire response of Whitney Design, question II-2, page 3; hearing transcript, testimony of James Glenn, president, Whitney Design, p. 146; Respondents' Posthearing Brief, p. 4-6.

[12] HPI responded to Whitney Design's allegations, noting that "...Whitney Design has ***, it has been understandably reluctant to acknowledge the substantial harm to its former domestic production caused by Chinese imports." HPI further argues that as approximately "*** of ironing tables sold at the wholesale level are purchased by only three customers, who then sell them at retail." The price competition among retailers exerts downward pressure on wholesale prices, thus enabling imports of ironing tables from China to exert downward pressure on the entire market, resulting in lower prices and decreased market share for the domestic industry. Petitioner's Prehearing Brief, pp. 15-26. *See also* Petitioner's Posthearing Brief, pages A-23 through A-25 (stressing HPI's "stable" prices until mid-2002; specific sales histories with specified customers; and HPI's loss of market share between 2001 and 2003).

[13] Neither company reported internal consumption or related party transfers of ironing tables.

U.S. PRODUCERS' INVENTORIES

As shown in table III-7, producer HPI and former producer Whitney Design both maintained relatively low inventory levels over the period for which data were collected. The ability to maintain low inventory levels is attributable to the type of sales agreements that dominate the ironing table industry. According to HPI, "***."[14]

Table III-7
Ironing tables: U.S. producers' end-of-period inventories, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

U.S. EMPLOYMENT, COMPENSATION, AND PRODUCTIVITY

Information regarding employment by producer HPI and former producer Whitney Design is presented in table III-8. The aggregate number of production workers, hours worked, and wages paid all decreased by approximately *** between 2001 and 2003, consistent with declining production levels. Productivity, however, increased, outpacing more moderate gains in hourly wages, resulting in lower unit labor costs.

Table III-8
Ironing tables: U.S. producers' employment-related information, 2001-03, January-March 2003, January-March 2004

* * * * * * *

[14] Questionnaire response of HPI, question IV-B-4.

PART IV: U.S. IMPORTS, APPARENT CONSUMPTION, AND MARKET SHARES

U.S. IMPORTERS

The Commission sent importers' questionnaires to 19 firms believed to be importers of ironing tables.[1] Of these questionnaires, the Commission received usable data on imports of ironing tables from eleven companies, while four responded that they did not import ironing tables.[2] Petitioner HPI and respondent Whitney Design both reported importing the subject merchandise from China during the period for which data were collected.

U.S. IMPORTS

Ironing tables were covered by HTS statistical reporting number 9403.20.0010 under the broad heading "Metal Household Furniture," until July 1, 2003, when they were reclassified into the more specific HTS statistical reporting number 9403.20.0011, "Floor-standing metal-top ironing boards, household." The subject metal top and leg components are imported under HTS statistical reporting number 9403.90.8040. No responding company, however, reported imports of ironing table components. Data in this section on the quantity and value of U.S. imports of ironing tables are based on responses to Commission questionnaires for the U.S. importers that provided usable data, rather than official Commerce import statistics (which are believed to overstate the quantity of imports of the subject merchandise). Coverage is estimated to be 90 percent or greater.

The quantity of U.S. imports of ironing tables from China increased between 2001 and 2003, rising by 278 percent, but was 45 percent lower in January-March 2004 than in January-March 2003 (table IV-1).[3] As shown in table IV-2, former U.S. producer Whitney Design accounted for a *** share of U.S. imports of the subject merchandise during the period for which data were collected. The quantity of Whitney Design's subject imports increased by *** percent between 2001 and 2003, rising from *** units in 2001 to *** units in 2002 and *** units in 2003, and were *** units in January-March 2004 compared to *** units in January-March 2003. During 2001-03, however, U.S. imports by other companies increased by more than *** percent, rising from *** units in 2001 to *** units in 2003. While

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[1] In addition, to expand its coverage, the Commission sent importer questionnaires to 19 firms believed to be purchasers. Nine firms identified as purchasers responded that they did not import ironing tables, while one, ***, responded that it was an importer.

[2] The 11 respondents are: ***.

[3] The parties have offered different interpretations of the trends in U.S. imports. Chinese respondents attribute much of the growth in subject imports between 2002 and 2003 to "high-end" ironing tables not produced by HPI, imports by Whitney Design that replaced its former domestic production, imports by *** of the mesh-top ironing tables specified by the company's *** documents, and imports used by HPI in its own efforts to submit winning bids at auction. Lower subject import volumes in the first quarter of 2004, Chinese respondents argue, reflect increasing costs and declining competitiveness on the part of ironing tables from China. Respondents' Posthearing Brief, pp. 9-14; Target's Posthearing Brief, pp. 1-10 (discussing Target's product requirements and the availability of such products from different sources). Petitioner points to the *** share of subject imports accounted for by Whitney Design, reports its own production of higher end ironing tables (characterized as a small part of the overall market), and assesses the competitiveness of its products in the context of ***. Petitioner attributes the decline in subject imports in the first quarter of 2004 to the announcement of Commerce's antidumping duty margins in early 2004. Petitioner's Posthearing Brief, pp. 2-6 and A-39.

Whitney Design (along with ***) accounted for *** of the growth in subject imports between 2001 and 2002, *** accounted for *** of the growth between 2002 and 2003, and was the *** in 2003.

Petitioner HPI contends that the range of the subject imports expanded during the period for which data were collected, moving from "high end" ironing tables to include lower priced models.[4] As noted in Part I of this report, "opening price point" ironing tables are largely T-leg ironing tables, while more expensive models are largely 4-leg ironing tables. Table IV-2 demonstrates that the largest increase in subject imports was for the T-leg ironing tables, although the quantity of 4-leg ironing tables increased as well. Similarly, as shown in table IV-3, U.S. importers representing the largest volumes and/or most rapid growth generally reported prices within the "opening price point" range of $15.00 or less.

APPARENT U.S. CONSUMPTION AND MARKET SHARES

As shown in table IV-4, the quantity of apparent U.S. consumption of ironing tables decreased between 2001 and 2002, by *** percent, but remained relatively steady in 2003 and the first quarter of 2004 (table IV-4). U.S. producer shipments accounted for *** percent of apparent U.S. consumption in 2001 and *** percent in 2003. U.S. shipments of imports from China accounted for *** percent of apparent U.S. consumption in 2001 and *** percent in 2003.

Former U.S. producer Whitney Design's U.S. shipments of imports by quantity accounted for *** percent of apparent U.S. consumption of the ironing tables in 2001 and *** percent in 2003. The quantity of Whitney Design's U.S. shipments of subject merchandise increased from *** units in 2001 to *** units in 2002 and *** units in 2003, and were *** units in January-March 2004 compared to *** units in January-March 2003.[5] During 2001-03, U.S. shipments of subject imports by all other companies increased from *** units in 2001 to *** units in 2003.

HPI's market share, based on both its domestic production and subject imports, is as follows: ***. Whitney Design's market share, based on both its domestic production and its subject imports, follows a similar trend: ***.[6]

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[4] Hearing transcript, testimony of Peter Graves, senior vice president of sales and marketing, HPI, pp. 24-25.

[5] Whitney Design's U.S. shipments of imports by value accounted for *** percent of apparent U.S. consumption of the ironing tables in 2001 and *** percent in 2003.

[6] Whitney Design ceased domestic production in the first quarter of 2002.

Table IV-1
Ironing tables: U.S. imports, by source, 2001-03, January-March 2003, and January-March 2004

Item	Calendar year			January-March	
	2001	2002	2003	2003	2004
Quantity *(1,000 units)*					
China	668	1,534	2,523	508	279
All other sources	***	***	***	***	***
Total	***	***	***	***	***
Value *($1,000)*					
China	6,423	12,037	18,857	3,909	3,383
All other sources	***	***	***	***	***
Total	***	***	***	***	***
Unit value *(per unit)*					
China	$9.61	$7.85	$7.47	$7.75	$12.11
All other sources	***	***	***	***	***
Average	***	***	***	***	***
Share of quantity *(percent)*					
China	***	***	***	***	***
All other sources	***	***	***	***	***
Total	100.0	100.0	100.0	100.0	100.0
Share of value *(percent)*					
China	***	***	***	***	***
All other sources	***	***	***	***	***
Total	100.0	100.0	100.0	100.0	100.0
Ratio of imports to U.S. production *(percent)*					
China	***	***	***	***	***
All other sources	***	***	***	***	***
Total	***	***	***	***	***

Source: Compiled from data submitted in response to Commission questionnaires.

Table IV-2
Ironing tables: U.S. imports from China, by type, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table IV-2 (continued)
Ironing tables: U.S. imports from China, by type, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table IV-3
Ironing tables: Volume, low price, and high price of U.S. imports from China, 2003

* * * * * * *

Table: IV-4
Ironing tables: U.S. shipments of domestic product, U.S. import shipments, by source, apparent U.S. consumption, and market shares, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

PART V: PRICING AND RELATED INFORMATION

FACTORS AFFECTING PRICES

Transportation Costs to the U.S. Market

Based on 2003 data, it is estimated that transportation costs for ironing tables from China to U.S. ports are equivalent to 20.8 percent of the customs value. This estimate is derived from official import data (using HTS statistical reporting number 9403.20.0011) and represents the transportation and other charges on imports valued on a c.i.f. basis, as compared with customs value.

U.S. Inland Transportation Costs and Geographic Markets

HPI reported that U.S. inland transportation costs account for *** percent of the total delivered cost of ironing tables. Importers (not including HPI) that provided estimates indicated that U.S.-inland transportation costs ranged from less than one percent to 50 percent of the total delivered cost of ironing tables, with an average of 13 percent.

HPI reported that *** percent of the ironing tables that it sells are shipped to customers within 100 miles, *** percent are shipped to customers within 101-1,000 miles, and *** percent are shipped to customers at distances over 1,000 miles. On average, importers of the subject product (not including HPI) reported shipping 8.2 percent of their ironing tables within 100 miles, 41.0 percent within 101-1,000 miles, and 50.8 percent at distances over 1,000 miles.

*** reported a national market area, while ***.

Exchange Rates

The nominal value of the Chinese yuan relative to the U.S. dollar has remained virtually unchanged since the first quarter of 1997 at 8.28 yuan per dollar. Producer price data for China are not available; therefore, real exchange rates cannot be calculated.

PRICING PRACTICES

Pricing Methods

Questionnaire responses reveal that most firms determine prices on a customer-by-customer basis based on current market conditions. While *** reported that 100 percent of their sales were spot sales, *** reported that 90 to 100 percent of their sales were contract sales.[1] HPI described price setting in the ironing tables industry as a series of "discrete" events rather than a process of continuous change. Prices tend to be set or changed at specific times (such as annual line reviews or purchaser requests for price adjustments) and then maintained at those levels for a predetermined period (typically five months to one year).[2] However, because prices are rarely fixed under an agreement, auctions or line reviews "do not foreclose competition until the next event."[3] At the conference, HPI described agreements as "implied

[1] ***.

[2] Hearing transcript, testimony of Peter Graves, senior vice president of sales, HPI, pp. 62-63, and responses to Commission questionnaires.

[3] Target's Postconference Brief, p. 11.

contracts" based on an estimated annual volume at a particular price.[4] *** stated that "contract" in the ironing table industry is often defined as just a pricing agreement, but no signed performance issues are involved. Moreover, according to the petitioner, lower prices resulting from a negotiation at a line review may take four to six months to show up due to "implementation lag," i.e., actual shipments from a December 2003 line review may not begin until April through July of 2004.[5] [6]

*** described typical purchase patterns for ironing tables as falling into the categories of straight single purchase (rare because purchasers want price commitments), annual line reviews (the most popular method), reverse auctions, and competitive line reviews (similar to a reverse auction but conducted in person).[7] [8] HPI reported that sales commonly are completed at face-to-face annual line reviews with a trade buyer where suppliers present an assortment of products for the trade buyer to consider as retail selling items in the subsequent year.[9] *** described annual line reviews as including prequalification and then meetings between suppliers and purchasers to negotiate price.[10] The negotiation process is based on estimated annual volumes by model.[11] However, annual line reviews are used more for larger customers rather than for all customers.[12] Typically, a retailer will buy only one type of ironing table per supplier. Thus, the negotiations at annual line reviews determine the sole supplier of each particular ironing table product (e.g., T-leg, 4-leg, etc.) that any particular purchaser will offer for retail sale.[13]

The reverse auction is described by HPI as involving preselection of competing suppliers and the products to be purchased, followed by on-line bidding that starts at prices specified by the purchaser.[14] Target described its reverse auction as merely the last step in its annual line review process, preceded by extensive quality checks.[15] Data received by the Commission indicate that since January 2001, *** conducted *** reverse internet auctions, and *** conducted ***. Parties to the investigation supplied information on these reverse auctions, which are discussed in more detail at the end of this chapter.

Finally, competitive line reviews (CLRs) were described by Polder as similar to a normal line review except that, instead of involving two to three months as in a typical line review, a CLR involves

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[4] Conference transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, pp. 59-60, and responses to Commission questionnaires.

[5] Hearing transcript, testimony of Michael Bradley, economist, The George Washington University, pp. 33-34. *** also stated that shipping often begins 3-6 months after an annual line review. Respondents' Postconference Brief, att. 9.

[6] Respondents argue that there is no evidence in the final phase of this investigation to support HPI's assertion that injury from the subject product follows an "implementation lag." Respondents' Prehearing Brief, pp. 19-20.

[7] Respondents' Postconference Brief, att. 9.

[8] U.S. producers, importers, and purchasers were asked what portion of their sales/purchases were traditional line reviews, internet auctions, or some other form of sale/purchase. The majority of firms (16 of 19) reported that all or virtually all of their sales/purchases occur through traditional line reviews; however, *** reported that *** occurred through traditional line reviews with the remaining sales occurring through internet auctions, *** reported that *** occurred through traditional line reviews and *** occurred through internet auctions (all purchases in 2001 and 2002 occurred through traditional line reviews), and *** reported that *** occurred through traditional line reviews with the remaining purchases occurring through internet auctions.

[9] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, pp. 55-56.

[10] Respondents' Postconference Brief, att. 9.

[11] Conference transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, p. 63.

[12] Conference transcript, testimony of Michael Bradley, economist, The George Washington University, p. 62.

[13] Conference transcript, testimony of Lisa Brumm, buyer, Target, pp. 135-136.

[14] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, p. 56.

[15] Conference transcript, testimony of Lisa Brumm, buyer, Target, pp. 101-102.

bringing all suppliers together at one time in order for the purchaser to make buying decisions in one day.[16]

During the preliminary phase of this investigation, respondents stated that pricing often involves "bundling" with other products, especially in sales to customers of many laundry products; these bundled sales are estimated by respondents to account for perhaps 10 to 15 percent of ironing table sales.[17] Bajer said that it would often take lower prices on ironing tables (due to competition with HPI) in order to secure other bundled business.[18] HPI denied that ironing table sales typically involve bundling with other goods, although it did say some sales involve a weighted-average of multiple ironing table products.[19]

HPI, importers, and purchasers were asked what amount of their firm's sales/purchases of ironing tables were sold/purchased separately or bundled with other products. Most firms (15 of 21) reported that all sales/purchases are sold/purchased separately; however, importers *** and *** reported that all or virtually all of their sales were bundled with other products, and purchasers ***, ***, and *** reported that all of their purchases were bundled with other products (both with ironing boards outside of the scope of this investigation and products other than ironing tables or boards). In addition, *** reported that *** percent of its 2003 purchases were bundled with other products.[20]

Discounts and Price Lists

*** reported that discount policies are determined on a customer-by-customer basis. *** stated that it did not have a firm discount policy and that competition with price leader HPI drove pricing. *** reported some standard volume discounts, and *** reported discounts based on cost of doing business with a customer (e.g., freight, volume, prepaid, etc.).

*** reported that price lists are rarely used, and when used the resulting prices typically reflect discounts from the list prices. Other parties described slightly different processes, with *** and *** reporting using price lists or discounts off price lists.

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[16] Hearing transcript, testimony of James Glenn, president, Whitney Design, p. 164.

[17] Respondents' Prehearing Brief, p. 13.

[18] Conference transcript, testimony of Mike Kellogg, president, Bajer, p. 84, and Respondents' Postconference Brief, pp. 10-11, 20-21, and att. 12.

[19] Conference transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, pp. 63-64.

[20] According to ***, there is no significant price difference between bundled and unbundled ironing tables. In contrast, *** reported that the bundling of laundry items will drive the price of each individual product down, and *** reported that it made one seasonal purchase of ironing tables bundled with laundry hampers and that the price was lower than for ironing tables purchased separately.

PRICE DATA

The Commission requested U.S. producers, importers, and purchasers of ironing tables to provide quarterly f.o.b. point of shipment data for the total quantity and value of ironing tables that were shipped to unrelated customers in the U.S. market.[21] Data were requested for the period January 2001 to March 2004. The products for which pricing data were requested are as follows:[22]

Product 1.–**Floor-standing, metal perforated-top ironing table, T-Leg, with pad and cover**

Product 2.–**Floor-standing, metal mesh-top ironing table, T-Leg, with pad and cover**

Two U.S. producers, five importers, and nine purchasers provided usable pricing data for sales of the requested products, although not all firms reported pricing for all products for all quarters.[23] [24] Pricing data reported by U.S. producers and importers accounted for *** percent of U.S. producers' U.S. shipments of ironing tables and virtually all of U.S. shipments of subject imports in 2003. Purchasers' price data accounted for 42.8 percent of U.S. producers' U.S. shipments and 64.0 percent of U.S. shipments of subject imports in 2003. Data on total selling prices and quantities of product 1 and product 2 are presented in tables V-1 and V-2 and figures V-1 through V-3. Company-specific data on total selling prices and quantities of product 1 and product 2 are presented in appendix D. Purchaser price data as reported by *** are presented in appendix E.

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[21] U.S. producers and importers were requested to provide data on all sales of product 1 and product 2, as well as separate data on unbundled sales for the requested products. With the exception of *** and ***, all responding firms that provided usable price data reported that all sales were unbundled. ***, and ***. Due to the lack of significant difference between the reported unit values for all sales versus unbundled sales, unbundled sales data are not shown in this section of the report but are footnoted as necessary to explain differences with reported total sales data.

Purchasers were requested to provide data only for unbundled purchases of product 1 and product 2. Purchaser data are discussed in footnotes accompanying the related discussions of U.S. producer and importer data.

[22] The Commission noted in the preliminary phase of this investigation that in the final phase it would examine product mix issues and whether pricing items needed to be more narrowly defined. *Ironing Tables and Certain Parts Thereof from China*, Inv. 731-TA-1047 (Preliminary), Publication No. 3623, August 2003, p. 12, n. 84. Parties were asked to address these issues in their comments regarding the selected pricing products in the Commission's draft questionnaires. No party suggested or requested any changes or additions to the pricing products.

[23] U.S. producers and importers that provided usable price data are ***. Purchasers that provided usable price data are ***.

[24] In its purchasers' questionnaire response, ***. Petitioner's Posthearing Brief, pp. 4-5 and exh. 3-4.

Table V-1
Ironing tables: Weighted-average f.o.b. prices and quantities for U.S.-produced product 1 (all sales) and imports of Chinese product 2 (all sales), as reported by U.S. producers and importers, by quarters, January 2001-March 2004

* * * * * * *

Table V-2
Ironing tables: Weighted-average f.o.b. prices and quantities for product 2 (all sales), and margins of underselling/(overselling), as reported by U.S. producers and importers, by quarters, January 2001-March 2004

* * * * * * *

Figure V-1
Ironing tables: Weighted-average f.o.b. sales prices for U.S.-produced product 1 (all sales) and imported Chinese product 2 (all sales), as reported by U.S. producers and importers, by quarters, January 2001-March 2004

* * * * * * *

Figure V-2
Ironing tables: Weighted-average f.o.b. sales prices for product 2 (all sales), as reported by U.S. producers and importers, by quarters, January 2001-March 2004

* * * * * * *

Figure V-3
Ironing tables: Sales quantities (all sales) as reported by U.S. producers and importers, by quarters, January 2001-March 2004

* * * * * * *

Both petitioner and respondents believe that alternative presentations of the price data collected in the final phase of this investigation may be more informative than the Commission's traditional presentations. Petitioner believes that *** should be included in the calculations of margins of underselling/overselling. Petitioner also believes that price comparisons between the domestic industry (as represented by HPI) and those importers that sell to Kmart, Target, and/or Wal-Mart (***) provide the most useful indicator of the nature of price competition for ironing tables in the U.S. market.[25] Finally, petitioner believes that a more appropriate method for determining margins of underselling/overselling with respect to perforated-top T-leg ironing tables (product 1) would involve a downward adjustment of import prices for mesh-top T-leg ironing tables (product 2) based on HPI's historical "price premium" for sales of its mesh-top ironing tables as compared to sales of its perforated-top ironing tables.[26] Respondents believe that sales price data for product 1 and product 2 as reported by U.S. producers should be combined and compared to import sales price data for product 2 to determine margins of underselling/overselling. According to respondents, this approach "extends the benefit of the

[25] Petitioner's Prehearing Brief, pp. 32-34.

[26] Petitioner's Prehearing Brief, pp. 39-40.

doubt to the Petitioner who argues that Chinese mesh ironing tables compete head-to-head with, and are fungible with, the ironing tables it manufactures, the overwhelming bulk of which are based on the older perforated metal technology."[27]

Product 1

U.S. sales prices for product 1 (all sales) and sales prices for product 2 imported from China (all sales) are shown in table V-1 and figure V-1.[28] [29] In all quarters, the Chinese product was priced above the U.S. product. The reported weighted-average unit values for U.S.-produced product 1 decreased irregularly over the period for which data were collected, and were *** percent lower in the first quarter of 2004 as compared to the first quarter of 2001.

Product 2

As shown in table V-2 and figure V-2, sales price comparisons for product 2 (all sales) between the United States and China were possible in a total of 13 quarters. In four quarters, the Chinese product was priced above the U.S. product, with margins ranging from 5.7 to 54.4 percent and averaging 24.1 percent. In the other nine quarters, the Chinese product was priced below the U.S. product, with margins ranging from 2.4 to 22.5 percent and averaging 14.7 percent. The reported weighted-average unit values for U.S.-produced product 2 increased irregularly over the period for which data were collected, and were *** percent higher in the first quarter of 2004 as compared to the first quarter of 2001. The reported weighted-average unit values for imported product 2 from China decreased irregularly over the period for which data were collected, and were 6.6 percent lower in the first quarter of 2004 as compared to the first quarter of 2001. [30] [31] [32]

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[27] Respondents' Prehearing Brief, p. 16 and att. 2.

[28] The Commission noted in the preliminary phase of this investigation that it would "explore further in the final phase of the investigation the probative value of price comparisons between perforated-top and mesh-top ironing tables." (*Ironing Tables and Certain Parts Thereof from China*, Inv. 731-TA-1047 (Preliminary), Publication No. 3623, August 2003, p. 12, n. 81). No price data for subject imports of product 1 were reported; however, 12 of 23 reporting firms consider perforated-top and mesh-top ironing tables to be interchangeable products.

[29] Purchaser data for product 1 reflect purchases only from U.S. producers. The reported purchase prices show a general, albeit irregular, decline during the period January 2001 to March 2004, with unit values ranging from $8.33 to $7.32. Reported purchase quantities also showed a general decline from 2.3 million units in 2001 to 2.0 million units in 2002 to 1.1 million units in 2003.

[30] ***.

[31] Price comparisons for product 2 (unbundled sales only) between the United States and China were possible in a total of 13 quarters. In four quarters, the Chinese product was priced above the U.S. product, with margins ranging from 5.6 to 56.8 percent and averaging 25.3 percent. In the other nine quarters, the Chinese product was priced below the U.S. product, with margins ranging from 9.1 to 22.1 percent and averaging 17.5 percent.

[32] Purchase price comparisons for product 2 between the United States and China were possible in a total of 13 quarters. In two quarters, the Chinese product was priced above the U.S. product, with margins of 53.5 and 56.1 percent. In the other 11 quarters, the Chinese product was priced below the U.S. product, with margins ranging from 3.8 to 29.9 percent and averaging 13.1 percent.

LOST SALES AND LOST REVENUES [33]

The Commission requested that U.S. producers of ironing tables report any instances of lost sales and lost revenues they experienced due to competition from imports from China during January 2000-March 2004. There were *** lost revenue allegations totaling $*** and involving *** ironing tables; these allegations are presented in table V-3. Additionally, there were *** lost sales allegations totaling $*** and involving *** ironing tables; these allegations are shown in table V-4. Purchasers' responses are summarized next.[34] [35]

Table V-3
Ironing tables: HPI's lost revenue allegations

* * * * * * *

Table V-4
Ironing tables: HPI's lost sales allegations

* * * * * * *

***

***.[36] ***.[37] [38]

***

***.[39]

***

***.[40]

***

***.[41]

***

***.[42]

***

***.[43]

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[33] No additional lost sales or lost revenue allegations were submitted in the final phase of this investigation; however, ***. Respondents' Posthearing Brief, att. D.

[34] ***.

[35] At the hearing, HPI provided a timeline of events that allegedly illustrate its lost sales and lost revenue experiences since December 2001. Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, pp. 26-28.

[36] ***, telephone interview by USITC staff, July 28, 2003. *See also* Petitioner's Postconference Brief, exh. 1, which shows ***. According to its purchasers' questionnaire response, ***.

[37] *See* Petitioner's Postconference Brief, exh. 3.

[38] ***. Respondents' Prehearing Brief, pp. 29-30.

[39] ***, telephone interview by USITC staff, July 22, 2003. According to its purchasers' questionnaire response, ***.

[40] ***, telephone interview by USITC staff, July 22, 2003.

[41] ***, telephone interview by USITC staff, July 22, 2003.

[42] ***.

[43] ***, telephone interview by USITC staff, July 22, 2003. According to its purchasers' questionnaire response, ***.

INTERNET REVERSE AUCTIONS

In addition to traditional lost sales and revenues information, the Commission also requested that producers, importers, and purchasers supply detailed information on any internet reverse auctions in which they had participated. Firms reported *** internet reverse auctions for ironing tables during the period for which data were collected; *** involving *** and *** involving ***. Compiled auction data are shown in table V-5. Responses from *** are summarized next.[44]

Table V-5
Ironing tables: Internet reverse auctions

* * * * * * *

***

***[45] ***.[46] ***.[47] ***.[48] ***[49] ***.[50] ***.[51] ***.[52] HPI said that its loss of incumbency resulted in significant lost sales for HPI starting in 2002.[53]

***.[54]

***.[55] ***.[56] ***.[57] ***.[58] ***.[59]

***.[60] ***.[61] ***.[62] ***.[63] ***.[64]

***[65] ***.[66]

***

[44] Both petitioner and respondents provided additional information on *** in their posthearing briefs. Respondents provided *** in Target's Posthearing Brief, att. 1-3 and Respondents' Posthearing Brief, att. A. Petitioner provided ***. Petitioner's Posthearing Brief, pp. A-32 - A-38, and exh. 10-13.

[45] ***.

[46] ***.

[47] ***.

[48] ***.

[49] According to HPI, ***. Petitioner's Posthearing Brief, pp. A-32 - A-34.

[50] ***.

[51] ***.

[52] ***.

[53] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, p. 26.

[54] ***.

[55] ***.

[56] ***.

[57] ***.

[58] ***.

[59] ***.

[60] ***.

[61] ***.

[62] ***, telephone interview by USITC staff, July 23, 2003.

[63] ***.

[64] ***.

[65] *** Petitioner's Posthearing Brief, exh. 11.

[66] ***.

***.[67] ***.[68] ***.[69] ***. ***.[70] HPI remained ***'s vendor of perforated-top T-leg ironing tables by reducing the price of this ironing table, but incurred significant revenue loss the following month.[71] ***.[72] *** reported that quality, price, familiarity with the vendor, and shipping locations were the reasons for choosing the aforementioned suppliers.[73] [74]

[67] ***.

[68] ***.

[69] ***.

[70] ***

[71] Hearing transcript, testimony of Peter Graves, senior vice president, sales and marketing, HPI, pp 26-27.

[72] ***.

[73] ***.

[74] According to its purchasers' questionnaire response, ***.

PART VI: FINANCIAL EXPERIENCE OF THE U.S. INDUSTRY

BACKGROUND

Two companies, producer HPI and former producer Whitney Design, represent all known production of ironing tables in the United States during the period examined. Both companies provided usable financial data on their ironing table operations.[1] HPI currently produces subject merchandise in Seymour, IN, but closed a plant in El Paso, TX, in the first quarter of 2001. HPI acquired its ironing table operations on December 30, 1997, when the company purchased Seymour Sales Corporation, a privately held company that designs, manufactures, and markets a full line of ironing tables and related accessories. Seymour was merged into HPI as of December 26, 1999.[2] [3] Whitney Design produced ironing tables until April 2002, when it closed down its St. Louis, MO, production facility.

OPERATIONS ON IRONING TABLES

Income-and-loss data for the U.S. producers on their ironing table operations are presented in table VI-1 and selected financial data, by firm, are presented in table VI-2. Both the quantity and value of net sales for the domestic industry declined during 2001-03, with net sales quantity decreasing by *** percent and value decreasing by *** percent over the period. However, interim data show that net sales quantity and value were *** percent and *** percent higher, respectively, in the first three months of 2004 than in the first three months of 2003.

Operating profit for the domestic producers declined from $*** in 2001 to $*** in 2003. During the interim period, operating profit was *** lower in January-March 2004 ($***) than in January-March 2003 ($***). Declines in operating profit during 2001-03 reflect the trend in net sales values, which declined rapidly, and other factory costs, which did not fall as quickly as did net sales values.

During the interim period, cost of goods sold rose relative to sales value. Operating profit for domestic producers continued to decline despite higher net sales values because raw materials increased at a higher rate than net sales value. Because steel is a primary raw material in the production of subject ironing tables, rising steel prices during 2003 and 2004 contributed to increased overall input costs when comparing January-March 2003 and January-March 2004.[4]

The average unit selling price decreased throughout 2001-03, and was lower in January-March 2004 than in January-March 2003. Average unit cost of goods sold also declined during 2001-03, resulting in stable unit gross profit. But during the interim period, average unit cost of goods sold increased as the average unit selling price declined, resulting in average unit gross profit of $*** in January-March 2004, compared with $*** in January-March 2003. Per-unit operating profit rose from $*** in 2001 to $*** in 2002 before declining to $*** in 2003. During the interim period, per-unit operating profit was $*** in January-March 2004 compared to *** in January-March 2003.

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[1] U.S. producers of ironing tables and their fiscal year ends are HPI (***) and Whitney Design (***).

[2] HPI 2003 Form 10-K, p. 3, found at *http://www.sec.gov/Archives/edgar.*

[3] HPI's reported sales of ironing tables represent approximately *** percent of net sales for its laundry management segment and *** percent of its total sales revenue during 2003. HPI's reported operating income from ironing tables represents *** percent of its total operating income during 2003, up from *** percent in 2002. (*See* HPI 2003 Form 10-K, p. 16, found at *http://www.sec.gov/Archives/edgar.*)

[4] HPI states that the cost of steel is *** of raw material costs. For example, in a typical T-Leg, steel represents approximately *** percent of total raw material cost. HPI experienced increased steel costs in the first quarter of 2004 when compared to the first quarter of 2003, and the company estimates that increases in the cost of steel accounted for about *** percent of the rise in raw material cost per unit. Email from Charles Avery, Senior Vice president of finance, HPI, May 31, 2004.

Table VI-1
Results of operations of U.S. producers in the production of ironing tables, fiscal years 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table VI-2
Results of operations of U.S. producers of ironing tables, by firms, fiscal years 2001-03, January-March 2003, and January-March 2004

* * * * * * *

HPI accounted for *** percent of total quantity sold by U.S. producers in 2001, increasing to *** percent in 2002 as Whitney Design ceased domestic production, and *** percent in 2003.

The variance analysis for the U.S. ironing table industry is presented in table VI-3. This variance analysis is derived from information presented in table VI-1 and provides an assessment of changes in profitability as related to changes in pricing, cost, and volume. A variance analysis is most effective when the product involved is a homogeneous product with no variation in product mix within a firm and between firms. The current analysis shows that the unfavorable operating income variance from 2001 to 2003 was attributable to both unfavorable price and net volume variances. These unfavorable variances were only partially offset by a favorable net cost/expense variance, causing the industry to experience declining operating income. When comparing the interim periods, the net volume and net cost/expense variances were favorable but entirely offset by an unfavorable price variance, causing operating income for the domestic industry to be lower in January-March 2004 than in January-March 2003.

INVESTMENT IN PRODUCTIVE FACILITIES, CAPITAL EXPENDITURES, AND RESEARCH AND DEVELOPMENT EXPENSES

The responding firms' data on capital expenditures, research and development (R&D) expenses, and the value of their property, plant, and equipment (PPE) for their ironing tables operations are shown in table VI-4. Commission staff excluded operating leases reported by HPI from the domestic industry's PPE, in accordance with generally accepted accounting principles (GAAP).[5] HPI argues that a more accurate measure of the book value of HPI's fixed assets for ironing tables operations would be to combine owned assets and leased assets. Chinese respondents replied that:

"***."[6]

Chinese respondents are correct that if HPI's operating leases were treated as capital leases and included in PPE, GAAP treatment would require removing certain lease expenses from cost of goods sold (COGS) and increasing interest expense in HPI's operations data. However, treating operating leases as capital leases would also increase depreciation expense in COGS. In many cases, the sum total of these adjustments would raise HPI's operating income for each period examined. The "return on assets" analysis in HPI's posthearing submission does not make any adjustments to operating income.[7] Capital expenditures, by firm, are presented in table VI-5.[8]

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[5] See footnote 1 of table VI-4 for more details on GAAP treatment of operating leases.

[6] Posthearing Brief of Chinese Respondents, exh. 1, p. 12.

[7] Petitioners' Posthearing Brief, exh. A, pp. A-56 through A-57.

[8] On July 30, 2003, Standard & Poor's announced the downgrade of HPI's corporate credit rating from B+ to B, as well as the downgrade of its senior secured debt rating from BB- to B+ and the downgrade of its subordinated debt rating from B- to CCC+. According to the Standard & Poor's publication, the downgrade "reflects increased

(continued...)

Table VI-3
Variance analysis for ironing tables operations of U.S. producers, 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table VI-4
Capital expenditures, research and development expenses, and value of assets of U.S. producers of ironing tables, fiscal years 2001-03, January-March 2003, and January-March 2004

* * * * * * *

Table VI-5
Capital expenditures of U.S. producers of ironing tables, by firms, fiscal years 2001-03, January-March 2003, and January-March 2004

* * * * * * *

CAPITAL AND INVESTMENT

The Commission requested U.S. producers to report whether there were any actual or potential negative effects of imports of ironing tables and parts thereof from China on their firms' growth, investment, and ability to raise capital or development and production efforts (including efforts to develop a derivative or more advanced version of the product). Their responses are presented in appendix F.

[8] (...continued)
competitive pressures that have eroded profitability, including intense price competition at the retail level from imported products and sharply higher raw material costs." (Standard & Poor's article submitted in e-mail from Frederick Ikenson, counsel for HPI, July 31, 2003.) *Note that this downgrade reflects Standard & Poor's analysis of HPI's overall operations, not just ironing table operations.*

PART VII: THREAT CONSIDERATIONS

The Commission analyzes a number of factors in making threat determinations (see 19 U.S.C. § 1677(7)(F)(i)). Information on the volume and pricing of imports of the subject merchandise is presented in Parts IV and V; and information on the effects of imports of the subject merchandise on U.S. producers' existing development and production efforts is presented in Part VI. Information on inventories of the subject merchandise; foreign producers' operations, including the potential for "product-shifting;" any other threat indicators, if applicable; and any dumping in third-country markets, follows.

THE INDUSTRY IN CHINA

In the final phase of this investigation, the Commission sent questionnaires to 23 Chinese firms believed to produce and/or export ironing tables; four companies provided usable data. The firms that responded are: Shunde Yongjian Housewares Co., Ltd. (Shunde);[1] Foshan City Gaoming Lihe Daily Necessities Co., Ltd. (Gaoming); Forever Holdings, Ltd. (Forever Holdings); and Harvest International, Ltd. (Harvest International). During the period for which data were collected, *** were the largest producers of ironing tables in China to provide data on their operations.[2]

*** were the only responding producers that reported selling ironing tables to the Chinese market. In 2002 and 2003, the quantity of ironing tables *** supplied to the Chinese domestic market was roughly equivalent to the quantity of tables the company exported to the United States. *** reported selling a small percentage (approximately *** percent) of its ironing tables to the U.S. market from 2001 to 2003. The majority of its production was directed to the Chinese domestic market and other export markets.[3]

Data for all reporting ironing table producers in China are presented in table VII-1. Data for all reporting ironing table producers and Since Hardware's response to a Commission questionnaire from the preliminary phase of the investigation are included in table VII-2. Exports to the United States accounted for *** percent of total shipments for the four reporting firms in 2003 (*** percent when *** is considered).[4] Other export markets, including ***, accounted for a greater share of shipments than U.S. exports in the period examined.

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[1] Shunde is also known as Wire King.

[2] Since Hardware, ***, provided no information in the final phase of the investigation despite repeated staff requests. Staff requested information from Since Hardware by e-mail and fax on March 10, March 11, May 7, May 10, May 18, and June 25, 2004. Commission staff also repeatedly tried to obtain information from exporters Lerado and Cheng Feng through e-mail and fax on March 10, May 3, May 7, and June 25. In addition, Commission staff contacted William Perry, counsel, Garvey Schubert Barer, on May 7, May 8, May 17, and May 18, 2004, regarding Lerado's intention to respond to the Commission's questionnaire. Counsel likewise contacted Lerado in an effort to solicit their response; on May 18, 2004, Mr. Perry wrote in an e-mail to ITC Staff, "***." Despite these efforts, neither Lerado nor Cheng Feng responded to the Commission's questionnaire.

[3] Questionnaire responses of ***, question II-8, p. 5.

[4] A comparison of table IV-1 with table VII-1 indicates that reported exports to the United States are markedly lower than reported U.S. imports of ironing tables from China. The contrast is much less pronounced when comparing table IV-1 and table VII-2.

Table VII-1
Ironing tables: Data for producers in China, 2001-03, January-March 2003, January-March 2004, and projected 2004-05

* * * * * * *

Table VII-2
Ironing tables: Data for producers in China, 2001-03 and projected 2004

* * * * * * *

Petitioners, in contrast, argue that steel prices in China are no longer increasing, and remain below U.S. prices for comparable steel. They also contend that the energy shortfall in China is not, in fact, a recent phenomenon, and has not in the past precluded increasing volumes of ironing table shipments from China to the United States. Moreover, nuclear and hydroelectric initiatives may ameliorate energy shortages in China. Finally, petitioners contend that freight rates increased in 2003, but have declined somewhat in 2004.[5]

[5] Petitioner's Posthearing Brief, pp. A-41 through A-51 and exhs. 16 through 19 (citing MEPS and CRU Monitor for steel price trends; *China Daily* for energy trends; and information from HPI's director of global sourcing for freight rates).

U.S. IMPORTERS' INVENTORIES OF IRONING TABLES

Table VII-3 presents data on U.S. importers' end-of-period inventories of imported ironing tables from China.

Table VII-3
Ironing tables: U.S. importers' end-of-period inventories of imports, 2001-03, January-March 2003, and January-March 2004

Source	Calendar year			January-March	
	2001	2002	2003	2003	2004
End-of-period inventories *(1,000 units)* [1] [2]					
China	155	397	344	309	252
All other sources	***	***	***	***	***
Total	***	***	***	***	***
Ratio to imports *(percent)*					
China	23.2	25.9	13.6	15.3	22.5
All other sources	***	***	***	***	***
Total	***	***	***	***	***
Ratio to U.S. shipments of imports *(percent)*					
China	28.2	30.7	13.4	13.5	17.0
All other sources	***	***	***	***	***
Total	***	***	***	***	***

[1] *** Correspondence from *** to ITC staff, June 23, 2004.
[2] *** reported no inventory of ironing tables during the period for which data were collected.

Note: Partial-year ratios are based on annualized imports and shipments of imports.
Source: Compiled from data submitted in response to Commission questionnaires.

U.S. IMPORTERS' CURRENT ORDERS FOR IRONING TABLES

U.S. importers reported more than one million units of ironing tables ordered from manufacturers in China and scheduled for delivery in 2004.[6] In addition to the subject imports reported in the first quarter of 2004 (presented in Part IV of this report), importers reported receiving *** ironing tables from China in the second quarter of 2004; in the third quarter of 2004, importers have ordered *** subject ironing tables; and in the fourth quarter of 2004, importers have ordered *** subject ironing tables.[7] [8]

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[6] Questionnaire responses of ***, question II-3, p. 4; e-mail from *** to ITC Staff, June 28, 2004.

[7] Orders from *** represent the *** of deliveries and anticipated deliveries of subject merchandise in 2004. According to the company, it is ***. Correspondence from *** to ITC Staff, June 23, 2004.

[8] *** has not yet ordered its fourth quarter imports. In the second and third quarter of 2004, *** imported *** and *** ironing tables, respectively.

DUMPING IN THIRD-COUNTRY MARKETS

Based on available information, ironing tables from China have not been subject to any other import relief investigations in the United States or in any other countries.

APPENDIX A

FEDERAL REGISTER NOTICES

Washington DC 20230; telephone (202) 482–4194.

SUPPLEMENTARY INFORMATION:

Background

On July 2, 2003, the Department published in the **Federal Register** a notice of the opportunity to request an administrative review in the above-cited segment of the antidumping duty proceeding (*see* 68 FR 39511). We received a timely filed request for review of Jilin and Shandong Xinhua Pharmaceutical Factory, Ltd. ("Shandong") from Rhodia, Inc. ("Rhodia"), the petitioner in this case. On August 22, 2003, we initiated an administrative review of Jilin and Shandong (68 FR 50750).

On January 5, 2004, Rhodia withdrew its request for review of Jilin. Although this withdrawal was received by the Department after the regulatory deadline of November 20, 2003, 19 CFR 351.213(d)(1) permits the Department to extend the deadline if "it is reasonable to do so." Because the petitioner was the only party to request the review, we find it is reasonable to extend the deadline to withdraw the review request.

Partial Rescission of Antidumping Administrative Review

In accordance with 19 CFR 351.213(d)(1), we are rescinding the administrative review with respect to Jilin.

Shandong remains a respondent in this administrative review.

Assessment

The Department will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries. For Jilin, from July 1, 2002 through September 29, 2002, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i).

Pursuant to a final court decision, which excluded Jilin from the order effective September 30, 2002, entries of subject merchandise from Jilin, entered or withdrawn from the warehouse on or after September 30, 2002, have been liquidated without regard to antidumping duties. *See Bulk Aspirin From the People's Republic of China: Notice of Amended Final Determination and Amended Order Pursuant to Final Court Decision*, 68 FR 75208 (December 30, 2003)("Amended Order").

The Department will issue appropriate assessment instructions directly to the CBP within 15 days of publication of this notice.

Cash Deposit Rates

As mentioned above in the assessment section of this notice, because Jilin is excluded from the order effective September 30, 2002 (*see Amended Order*), no cash deposit is required from Jilin.

Notification to Importers

This notice serves as a reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

Notification Regarding APOs

This notice also serves as a reminder to parties subject to administrative protective orders ("APOs") of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

This notice is issued and published in accordance with section 777(i) of the Tariff Act of 1930, as amended and 19 CFR 351.213(d)(4).

Dated: January 28, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–2166 Filed 2–2–04; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570–888]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Preliminary Determination of Sales at Less Than Fair Value.

EFFECTIVE DATE: February 3, 2004.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or Sam Zengotitabengoa, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230; telephone: (202) 482–0651 or (202) 482–4195, respectively.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that floor-standing, metal-top ironing tables and certain parts thereof (ironing tables) from the People's Republic of China (PRC) are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 773 of the Tariff Act of 1930, as amended (the Act). The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Case History

This investigation was initiated on July 21, 2003. *See Notice of Initiation of Antidumping Investigation: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 68 FR 44040 (July 25, 2003) (*Initiation Notice*).[1] Since the initiation of the investigation, the following events have occurred.

On August 14, 2003, the United States International Trade Commission (ITC) preliminarily determined that there is a reasonable indication that an industry in the United States is materially injured by reason of imports of ironing tables from the PRC. *See Ironing Tables and Certain Parts Thereof From China*, 68 FR 50190 (August 20, 2003).

On July 31, 2003, the Department issued Section A of its non-market economy (NME) antidumping questionnaire[2] to all known companies[3]

[1] The petitioner in this investigation is Home Products International, Inc.

[2] Section A of the NME questionnaire requests general information concerning a company's corporate structure and business practices, the merchandise under investigation that it sells, and the manner in which it sells that merchandise in all of its markets. Section C requests a complete listing of U.S. sales. Section D requests information on the factors of production of the merchandise sold in or to the United States. Section E requests information on further manufacturing.

[3] The Department gathered the following PRC company names from the June 30, 2003, petition and the country desk in Beijing. *See* Memorandum

Continued

that allegedly produced and/or exported ironing tables from the PRC. In the questionnaire, the Department requested the companies to provide quantity and value information of subject merchandise exports to the United States during the period of investigation (POI). On July 30, 2003, and July 31, 2003, respectively, the Department issued the antidumping questionnaire to the Embassy of the PRC in Washington, D.C., and to the PRC Ministry of Commerce, Fair Trade Bureau (MOC) in Beijing. The Department requested that MOC send the questionnaire to the companies who manufacture and export ironing tables to the United States, as well as to manufacturers who produce ironing tables for companies who were engaged in exporting subject merchandise to the United States during the POI.

As a result of our analysis of the quantity and value responses to the questionnaire, the Department selected two mandatory respondents, Since Hardware (Guangzhou) Co., Ltd. (Since Hardware) and Shunde Yongjian Housewares Co., Ltd. (Yongjian). On September 10, 2003, the Department issued Section C and D questionnaires to Since Hardware and Yongjian. In September 2003, Forever Holdings Ltd. (Forever Holdings), Harvest International Housewares Ltd. (Harvest), Lerado (Zhoong Shan) Industrial Co., Ltd. (Lerado), and Gaoming Lihe Daily Necessities Co., Ltd. (Lihe), responded to Section A of the Department's questionnaire, as non-mandatory respondents, for purposes of obtaining separate rates. By October 15, 2003, Since Hardware and Yongjian responded to Sections C and D of the Department's questionnaire. The Department issued supplemental questionnaires where appropriate.

On November 21, 2003, pursuant to section 733(c)(1)(A) of the Act, the Department postponed the preliminary determination of this investigation until January 26, 2004. *See Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Postponement of Preliminary Determination of Antidumping Duty Investigation*, 68 FR 66816 (November 28, 2003).

Selection of Respondents

Section 777A(c)(1) of the Act directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. Where it is not practicable to examine all known producers/exporters of subject merchandise, section 777A(c)(2) of the Act permits the Department to investigate either: (1) a sample of exporters, producers, or types of products that is statistically valid, based on the information available at the time of selection; or (2) exporters and producers accounting for the largest volume of the subject merchandise that can reasonably be examined. We received quantity and value information from six known producers of the subject merchandise in the PRC. Since Hardware and Yongjian were the producers of subject merchandise accounting for the largest volume of exports to the United States during the POI. Therefore, we selected Since Hardware and Yongjian as mandatory respondents in this investigation. *See* Memorandum from Thomas F. Futtner, Acting Office Director, Office 4, to Holly A. Kuga, Acting Deputy Assistant Secretary, Group II, "Respondent Selection Memorandum," dated September 10, 2003, on file in the Central Records Unit, Room B-099 of the Main Commerce Building (CRU).

Period of Investigation

The POI is October 1, 2002, through March 31, 2003. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (i.e., June 2003). See 19 CFR 351.204(b)(1).

Scope of Investigation

For purposes of this investigation, the product covered consists of floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this investigation.

Furthermore, this investigation specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this investigation, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means a product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, *e.g.* iron rest or linen rack. The term "incomplete" ironing table means a product shipped or sold as a "bare board" *i.e.*, a metal-top table only, without the pad and cover- with or without additional features, e.g. iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by this investigation under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The investigation covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or counter top models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under the new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope remains dispositive.

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from Sam Zengotitabengoa, International Trade Compliance Analyst, to the File, "Listing of Chinese Ironing Board Producers & Exporters," dated August 4, 2003. These companies include: Eagle Metal Furniture Manufacturer Co., Ltd.; Fuyali Houseware Co., Ltd.; Gaoming Lihe Daily Necessities Co., Ltd.; Guangdong Ironing Board Factory; Hongfong Hardware Manufactory Co., Ltd.; Jiangmen Silk Import and Export Corporation of Guangdong; Shunde Wireking Group Wanrong Hardware Co., Ltd.; Since Hardware (Guangzhou) Co., Ltd.; Wireking Group; Lerado Industrial (Zhongshan) Co.; New Tech Integrated; He Bei Orient Hardware and Mesh Products Co., Ltd.; Guang Dong General Industry Development Co. Ltd.; Nan Hai Yan Bu Zhua Hai Hardware and Furniture Factory; Hai Tong Industrial Co. Ltd.; Hui Hui Tools Co., Ltd.; Jia Jun Ironing Board Factory; Jia Shan Ji Ji Ironing Board Factory; Guang Zhou Quanyong Novwoven Co., Ltd.; Shun De Yong Jian Housewares Co., Ltd.; Fu Gang Trade Co., Ltd.; and, Guang Dong Xin Hui Arts and Crafts Import and Export Co, Ltd.

Product Coverage

In accordance with the preamble to the Department's regulations (*see Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27295, 27323 (May 19, 1997)) (Regulations Preamble), in our notice of initiation we set aside a period of time for parties to raise issues regarding product coverage and encouraged all parties to submit comments within 20 days from the publication of the *Initiation Notice*. *See Initiation Notice*, 68 FR at 44041. No parties submitted comments.

Non-Market Economy Country Status

The Department has treated the PRC as an NME country in all its past antidumping investigations. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Carbon-Quality Steel Pipe from the People's Republic of China*, 67 FR 36570, 36571 (May 24, 2002); and *Notice of Final Determination of Sales at Less Than Fair Value: Structured Steel Beams from the People's Republic of China*, 67 FR 35479, 35480 (May 20, 2000); and *Notice of Final Determination of Sales at Less Than Fair Value Certain: Folding Metal Tables and Chairs from the People's Republic of China*, 67 FR 20090 (April 24, 2002). In accordance with section 771(18)(C) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked. No party to this investigation has sought revocation of the NME status of the PRC. Therefore, pursuant to section 771(18)(C) of the Act, the Department will continue to treat the PRC as an NME country.

When the Department is investigating imports from an NME country, section 773(c)(1) of the Act directs the Department to base normal value (NV) on the NME producer's factors of production, valued in a comparable market economy that is a significant producer of comparable merchandise. The sources of individual factor prices are discussed under the "Normal Value" section, below.

Separate Rates

In an NME proceeding, the Department presumes that all companies within the country are subject to governmental control and should be assigned a single antidumping duty rate unless the respondent demonstrates the absence of both *de jure* and *de facto* governmental control over its export activities. *See Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People's Republic of China*, 61 FR 19026, 19027 (April 30, 1996) (*Bicycles from the PRC*). Since Hardware, Yongjian, Forever Holdings, Lerado, Harvest, and Lihe have provided the requested company-specific separate rates information and have indicated that there is no element of government ownership or control over their operations. We have considered whether these companies are eligible for a separate rate, as discussed below.

The Department's separate-rates test is not concerned, in general, with macroeconomic border-type controls (*e.g.*, export licenses, quotas, and minimum export prices), particularly if these controls are imposed to prevent dumping. Rather, the test focuses on controls over the decision-making process on export-related investment, pricing, and output at the individual firm level. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate From Ukraine*, 62 FR 61754, 61757 (November 19, 1997); *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Final Results of Antidumping Duty Administrative Review*, 62 FR 61276, 61279 (November 17, 1997); and *Notice of Preliminary Determination of Sales at Less Than Fair Value: Honey From the People's Republic of China*, 60 FR 14725, 14727 (March 20, 1995).

To establish whether a firm is sufficiently independent from government control to be entitled to a separate rate, the Department analyzes each exporting entity under a test arising out of the *Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991), as modified in the *Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585, 22587 (May 2, 1994) (*Silicon Carbide*). Under this test, the Department assigns separate rates in NME cases only if an exporter can demonstrate the absence of both *de jure* and *de facto* governmental control over its export activities. *See Silicon Carbide and the Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol From the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

In order for the Department to determine whether a company is sufficiently independent to be entitled to a separate rate, the companies must establish that they exported the subject merchandise to the United States during the POI. In accordance with 19 CFR 351.401(i), the Department will normally use the date of invoice to identify the date of sale of the subject merchandise. However, the Department may use a date other than the date of invoice if it is satisfied that a different date better reflects the date on which the exporter establishes the material terms of sale. In this instance, the Department found all but one of the companies to have exported subject merchandise to the United States during the POI. The Department cannot consider Lerado an exporter who made subject merchandise sales to the United States during the POI because Lerado did not present satisfactory evidence establishing that it had sold subject merchandise to the United States during the POI. *See* 19 CFR 351.401(i); *see* Regulations Preamble, at 27349; *see* Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, Office IV, to Thomas F. Futtner, Acting Office Director, Office IV, "Separate Rates Analysis for the Preliminary Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated concurrently with this notice (Separate Rates Memo), on file in the CRU.

Because we preliminarily find that Lerado did not export subject merchandise to the United States during the POI, we are not able to evaluate whether Lerado qualifies for a separate rate. See Titanium Sponge From the Russian Federation: Notice of Final Results of Antidumping Duty Administrative Review, 61 FR 58525, 58528 (November 15, 1996), (where the Department states that "{A}lthough AVISMA made a separate rate claim, because there are no sales to the United States by AVISMA, we are not able to evaluate the company's separateness request.")

1. Absence of *De Jure* Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies.

Since Hardware, Yongjian, Forever Holdings, Harvest, and Lihe have placed on the record a number of documents to demonstrate the absence of *de jure* control, including their business licenses and the "Company Law of the People's Republic of China." Other than limiting these companies' operations to

the activities referenced in the license, we noted no restrictive stipulations associated with the license. In addition, in previous cases, the Department has analyzed the "Company Law of the People's Republic of China" and found that it establishes an absence of de jure control. *See, e.g., Notice of Final Determination of Sales at Less Than Fair Value: Certain Partial-Extension Steel Drawer Slides with Rollers from the People's Republic of China*, 60 FR 54472, 54474 (October 24, 1995). We have no information in this proceeding which would cause us to reconsider this determination. Therefore, based on the foregoing, we have preliminarily found an absence of de jure control for these companies.

2. Absence of *De Facto* Control

The Department typically considers four factors in evaluating whether each respondent is subject to *de facto* governmental control of its export functions: (1) whether the export prices are set by, or subject to, the approval of a governmental authority; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of its management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.

With regard to the issue of *de facto* control, Since Hardware, Yongjian, Forever Holdings, Harvest, and Lihe have reported the following: (1) there is no government participation in setting export prices; (2) their managers have authority to bind sales contracts; (3) they do not have to notify any government authorities of their management selection, and (4) there are no restrictions on the use of their export revenue and they are responsible for financing their own losses. Furthermore, our analysis of these companies' questionnaire responses reveals no other information indicating governmental control of export activities. Therefore, based on the information provided, we preliminarily determine that there is an absence of *de facto* government control. Consequently, we preliminarily determine that Since Hardware, Yongjian, Forever Holdings, Harvest, and Lihe have met the criteria for the application of separate rates. For a more detailed discussion of this issue, *see* Separate Rates Memo.

Margins for Cooperative Exporters Not Selected

To those exporters: (1) who submitted a timely response to section A of the Department's questionnaire, but were not selected as mandatory respondents, and (2) for whom the section A response indicates that the exporter is eligible for a separate rate, we assigned a weighted-average of the rates of the fully analyzed companies, excluding any rates that were zero, *de minimis*, or based entirely on facts available. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Carbon-Quality Steel Pipe from the People's Republic of China*, 67 FR 36570, 36571 (May 24, 2002) (*Welded Steel Pipe*). Companies receiving this rate are identified by name in the "Suspension of Liquidation" section of this notice.

The PRC-Wide Rate

In all NME cases, the Department makes a rebuttable presumption that all exporters located in the NME country comprise a single exporter under common government control, the "NME entity." *See Bicycles From the PRC.* Although the Department provided all known PRC exporters of the subject merchandise with the opportunity to respond to our initial questionnaire, only Since Hardware, Yongjian, Forever, Harvest, Lerado, and Lihe responded. However, because other PRC companies did not submit a response to the Department's Section A quantity and value question, as discussed above in the "Case History" section of this notice, and thus did not demonstrate their entitlement to a separate rate, we have implemented the Department's rebuttable presumption that these exporters constitute a single enterprise under common control by the PRC government, and we are applying adverse facts available to determine the single antidumping duty rate, the PRC-wide rate, applicable to all other PRC exporters comprising this single enterprise. *See, e.g., Final Determination of Sales at Less Than Fair Value: Synthetic Indigo from the People's Republic of China*, 65 FR 25706, 25707 (May 3, 2000).

Use of Facts Otherwise Available

Section 776(a)(2) of the Act provides that, if an interested party withholds information that has been requested by the Department, fails to provide such information in a timely manner or in the form or manner requested, significantly impedes a proceeding under the antidumping statute, or provides information which cannot be verified, the Department shall use, subject to sections 782(d) and (e) of the Act, facts otherwise available in reaching the applicable determination. As explained above, some exporters of the subject merchandise failed to respond to the Department's request for information. The failure of these exporters to respond significantly impedes this proceeding. Thus, pursuant to section 776(a) of the Act, in reaching our preliminary determination, we have based the PRC-wide rate on total facts available.

In applying facts otherwise available, section 776(b) of the Act provides that, if the Department finds that an interested party "has failed to cooperate by not acting to the best of its ability to comply with a request for information," the Department may use information that is adverse to the interests of that party as facts otherwise available. Adverse inferences are appropriate "to ensure that the party does not obtain a more favorable result by failing to cooperate than if it had cooperated fully." *See Statement of Administrative Action SAA accompanying the Uruguay Round Agreements Act*, H.R. Doc. No. 316, 103d Cong., 2d Session at 870 (1994).Furthermore, "affirmative evidence of bad faith on the part of the respondent is not required before the Department may make an adverse inference." *See Antidumping Countervailing Duties; Final Rule*, 62 FR 27296, 27340 (May 19, 1997). In this case, the complete failure of these exporters to respond to the Department's requests for information constitutes a failure to cooperate to the best of their ability.

For our preliminary determination, as adverse facts available, we have used the highest rate calculated for a respondent, *i.e.*, the rate calculated for Yongjian. *See Ta Chen Stainless Steel Pipe, Inc. v. United States*, 298 F.3d 1330 (Fed. Cir. 2002) (affirming Commerce's application of adverse facts available and use of an adverse inference, resulting in the application of the highest available dumping margin to an uncooperative respondent). In an investigation, if the Department chooses as facts available a calculated dumping margin of another respondent, the Department will consider information reasonably at its disposal as to whether there are circumstances that would indicate that using that rate is inappropriate. In this investigation, there is no indication that Yongjian's calculated margin is inappropriate to use as adverse facts available.

Accordingly, for the preliminary determination, the PRC-wide rate is 153.76 percent. Because this is a preliminary margin, the Department

will consider all margins on the record at the time of the final determination for the purpose of determining the most appropriate final PRC-wide margin.

Fair Value Comparison

To determine whether Since Hardware's and Yongjian's sales of ironing tables to customers in the United States were made at LTFV, we compared Export Price (EP) to NV, using our NME methodology, as described in the "Export Price" and "Normal Value" sections of this notice below. In accordance with section 777A(d)(1)(A)(i) of the Act, we calculated weighted-average EPs.

Export Price

In accordance with section 772(a) of the Act, EP is the price at which the subject merchandise is first sold (or agreed to be sold), before the date of importation, by the producer or exporter of the subject merchandise to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection (c).

We used an EP methodology in accordance with section 772(a) of the Act because Since Hardware and Yongjian sold subject merchandise to unaffiliated U.S. customers prior to importation and because a constructed export price methodology was not otherwise warranted. We calculated EP based on the packed, freight-on-board port-of-export price charged to the first unaffiliated customer for exportation to the United States. Where appropriate, we made deductions from the starting price (gross unit price) for foreign inland freight and brokerage and handling. Where foreign inland freight and brokerage and handling were provided by NME companies, we used surrogate values from India to value these expenses. See Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, to the File, "Surrogate Country Factors of Production Values in the Preliminary Determination of the Antidumping Duty Investigation on Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China, dated concurrently with this notice (FOP Valuation Memo), on file in the CRU.

Normal Value

1. Surrogate Country

Section 773(c)(4) of the Act requires that the Department value the NME producer's factors of production, to the extent possible, based on the prices or costs of factors of production in one or more market economy countries that are: 1) at a level of economic development comparable to that of the NME country; and 2) significant producers of comparable merchandise. The Department's Office of Policy initially identified five countries that are at a level of economic development comparable to the PRC in terms of per-capita gross national product and the national distribution of labor. Those countries are India, Pakistan, Indonesia, Sri Lanka, and the Philippines. *See* Memorandum from Ron Lorentzen, Acting Director, Office of Policy, to Thomas F. Futtner, Acting Office Director, Office 4, "Request for a List of Surrogate Countries," dated September 4, 2003, on file in the CRU. Among these countries, India is the most significant producer of comparable merchandise. Therefore, we have preliminarily calculated NV by applying Indian values to Since Hardware's and Yongjian's factors of production.

2. Factors of Production

In their questionnaire responses, Since Hardware and Yongjian reported factors of production for the manufacture of the subject merchandise during the POI. The factors of production include: (1) hours of labor required; (2) quantities of raw materials employed; (3) amounts of energy and other utilities consumed; and (4) representative capital costs. *See* Section 773(c)(3) of the Act. To calculate NV, we multiplied the reported per-unit quantities by publicly available surrogate values from India.

Generally, the surrogate values employed in the valuation of the factors of production were selected because of their quality, specificity, and contemporaneity. We modified those values not contemporaneous with the POI using wholesale price indices (WPI) published by the Office of the Economic Adviser to the Government of India, Ministry of Commerce and Industry, to account for inflation or deflation between the effective period and the POI. As appropriate, we included freight costs in input prices to make them delivered prices. Specifically, we added to the surrogate values a surrogate freight cost calculated using the shorter of the reported distance from the domestic input supplier to the factory processing subject merchandise or the distance from the nearest seaport to the relevant factory. This adjustment is in accordance with the Court of Appeals for the Federal Circuit's decision in *Sigma Corp. v. United States*, 117 F. 3d 1401, 1407–1408 (Fed. Cir. 1997).

To value inputs and packing materials that derived from market economy countries, we used the reported prices. We valued all other material inputs and packing materials using publicly available Indian import statistics from the appropriate Indian Harmonized Tariff Schedule classification, obtained from the Government of India, Ministry of Commerce and Industry, Director General, Commercial Intelligence and Statistics, as published in the World Trade Atlas (WTA). *See* FOP Valuation Memo. Because the Department has determined that Indonesia, South Korea, and Thailand maintain broadly available, non-industry specific export subsidies which may benefit all exporters to all export markets, we eliminated the quantities and values of imports from these countries from the import statistics used to calculate the surrogate values. *See Final Determination of Sales at Less Than Fair Value: Certain Automotive Replacement Glass Windshields From the People's Republic of China*, 67 FR 6482 (February 12, 2002). In addition, the Department eliminated Indian imports of non-market economy countries from the import statistics used to calculate the surrogate values.

One of the respondents purchased cold-rolled steel inputs from a market economy supplier in a market economy currency. At this time, the Department has generally available information indicating that the PRC government imposed an antidumping order on imports of cold-rolled steel products from various countries, including the country in question. *See* Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, to the File, "PRC AD Final Determination," dated concurrently with this notice, on file in the CRU. Because the Department has reason to believe or suspect that cold-rolled steel from the country in question is being dumped, we have disregarded prices for cold-rolled steel from this country, and instead used the Indian surrogate value for both respondents.

For energy, we valued argon gas using a 1997 price quote from an Indian producer of argon; diesel oil and electricity using the 2003 International Energy Agency's Key World Energy Statistics; and water using four price quotes reported by the Asian Development Bank on October 1997.

We valued labor using the latest regression-based wage rate for China found on Import Administration's Web page (http://ia.ita.doc.gov/wages/), as described in 19 CFR 351.408(c)(3).

To value foreign inland truck freight costs, we relied upon 17 price quotes used by the Department in the *Notice of Final Determination of Sales at Less*

Than Fair Value: Bulk Aspirin From the People's Republic of China, 65 FR 33805 (May 25, 2000). We valued brokerage and handling using the average of the foreign brokerage and handling expenses in *Certain Stainless Steel Wire Rod From India: Final Results of Administrative and New Shipper Review*, 64 FR 856 (January 6, 1999).

Because the Department did not find industry specific data on the record to calculate the surrogate ratios for selling, general and administrative (SG&A) expenses, factory overhead, and profit, the Department used the "2001–2002 combined income, value of production, expenditure and appropriation accounts" for a sample of 2,024 public companies in India that were reported in the October 2003 *Reserve Bank of India Bulletin*.

For a complete analysis of surrogate values used in the preliminary determination, see FOP Valuation Memo.

Verification

In accordance with section 782(i) of the Act, we intend to verify all information relied upon in making our final determination.

Suspension of Liquidation

We are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of ironing tables from the PRC entered, or withdrawn from warehouse, for consumption on or after the date on which this notice is published in the **Federal Register**. In addition, we are instructing CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which the NV exceeds the EP, as indicated in the chart below. These instructions suspending liquidation will remain in effect until further notice.

We preliminarily determine that the following percentage weighted-average margins exist for the POI:

Manufacturer/exporter	Weighted-Average Margin (percent)
Since Hardware (Guangzhou) Co., Ltd.	7.66
Shunde Yongjian Housewares Co., Ltd.	153.76
Forever Holdings Ltd.	69.59
Harvest International Housewares Ltd.	69.59
Gaoming Lihe Daily Necessities Co., Ltd.	69.59
PRC-Wide Rate.	153.76

The PRC-wide rate applies to all entries of the subject merchandise except for entries from Since Hardware, Yongjian, Forever Holdings, Harvest, and Lihe.

Disclosure

In accordance with 19 CFR 351.224(b), the Department will disclose the calculations performed in the preliminary determination to interested parties within five days of the date of publication of this notice.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of the Department's preliminary affirmative determination. If the final determination in this proceeding is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after the final determination whether imports of ironing tables from the PRC are materially injuring, or threaten material injury to, the U.S. industry.

Public Comment

In accordance with 19 CFR 351.301(c)(3)(i), interested parties may submit publicly available information to value the factors of production for purposes of the final determination within 40 days after the date of publication of this preliminary determination. Case briefs or other written comments must be submitted to the Assistant Secretary for Import Administration no later than one week after issuance of the verification reports. Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days after the deadline for the submission of case briefs. A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Further, we request that parties submitting briefs and rebuttal briefs provide the Department with a copy of the public version of such briefs on diskette.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we will tentatively hold the hearing two days after the deadline for submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230, at a time and in a room to be determined. Parties should confirm by telephone the date, time, and location of the hearing 48 hours before the scheduled date.

Interested parties who wish to request a hearing, or to participate in a hearing if one is requested, must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the date of publication of this notice. Requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. At the hearing, oral presentations will be limited to issues raised in the briefs. *See* 19 CFR 351.310(c). The Department will make its final determination no later than 75 days after the preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: January 26, 2004.

James J. Jochum,

Assistant Secretaryfor Import Administration.

[FR Doc. 04–2168 Filed 2–2–04; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570–831]

Fresh Garlic From the People's Republic of China: Notice of Extension of Time Limit for the Final Results of Antidumping Duty Administrative and New Shipper Reviews

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of extension of time limit for the final results of antidumping duty administrative and new shipper reviews.

SUMMARY: The Department of Commerce is extending the time limit for the final

(excluding from the order only merchandise "produced and exported" by a zero margin respondent).

If these preliminary results are adopted in the final results of this changed circumstances review, we will instruct CBP to continue to exclude shipments of subject merchandise produced and exported by the Stelco Group from the order and, for all merchandise produced but not exported by the Stelco Group to collect a cash deposit equal to the rate established for the exporter, or if the exporter does not have its own rate, the "all others" rate of 8.11 percent, effective as of the date of the final results of this changed circumstances review. Furthermore, for the period prior to the effective date of the final results of this changed circumstances review, we will instruct CBP to liquidate any entries of merchandise produced by Stelco, regardless of exporter, without regard to antidumping duties.

Public Comment

Any interested party may request a hearing within 30 days of publication of this notice. *See* 19 CFR 351.310(c). Any hearing, if requested, will be held 44 days after the date of publication of this notice, or the first working day thereafter. Interested parties may submit case briefs and/or written comments not later than 30 days after the date of publication of this notice. Rebuttal briefs and rebuttals to written comments, which must be limited to issues raised in such briefs or comments, may be filed not later than 37 days after the date of publication of this notice. Parties who submit arguments are requested to submit with the argument (1) a statement of the issue, (2) a brief summary of the argument, and (3) a table of authorities.

Consistent with section 351.216(e) of the Department's regulations, we will issue the final results of this changed circumstances review no later than 270 days after the date on which this review was initiated, or within 45 days if all parties agree to our preliminary finding. We are issuing and publishing this finding and notice in accordance with sections 751(b)(1) and 777(i)(1) of the Act and sections 351.216 and 351.221(c)(3) of the Department's regulations.

Dated: Februaru 19, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–4138 Filed 2–24–04; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–888]

Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Postponement of Final Antidumping Determination

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: February 25, 2004.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or Sam Zengotitabengoa at (202) 482–0651 or (202) 482–4195, respectively; AD/CVD Enforcement, Office 4, Group II, Import Administration, Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUMMARY: The Department of Commerce (the Department) is postponing the final determination in the antidumping duty investigation of floor-standing, metal-top ironing tables and certain parts thereof from the People's Republic of China.

SUPPLEMENTARY INFORMATION:

Postponement of Final Determination and Extension of Provisional Measures

On February 3, 2004, the Department published its affirmative preliminary determination of this antidumping duty investigation in the **Federal Register**. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China,* 69 FR 5127 (February 3, 2004). This notice of preliminary determination states that the Department will issue its final determination no later than 75 days after the date on which the Department issued its preliminary determination.

Section 735(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(2)(ii) provide that a final determination may be postponed until not later than 135 days after the date of the publication of the preliminary determination if, in the event of an affirmative preliminary determination, a request for such postponement is made by exporters who account for a significant proportion of exports of the subject merchandise. Additionally, the Department's regulations, at 19 CFR 351.210(e)(2), require that requests by respondents for postponement of a final determination be accompanied by a request for an extension of the provisional measures from a four-month period to not more than six months.

On January 30, 2004, in accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), Shunde Yongjian Housewares Co., Ltd. (Yongjian), a mandatory respondent in this investigation, requested that the Department postpone its final determination. On February 3, 2004, Yongjian requested that the Department fully extend the provisional measures by 60 days in accordance with sections 733(d) of the Act and 19 CFR 351.210(e)(2). Accordingly, pursuant to section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii), we are postponing the final determination until no later than 135 days after the publication of the preliminary determination in the **Federal Register** (*i.e.*, until no later than June 13, 2004), because: (1) The preliminary determination is affirmative, and therefore the exporters or producers have standing to request this postponement; and (2) the requesting exporter/producer accounts for a significant proportion of exports of the subject merchandise (*see* Memorandum from Thomas F. Futtner, Acting Office Director, Office 4, to Holly A. Kuga, Acting Deputy Assistant Secreatry, Group II, "Respondent Selection Memorandum," dated September 10, 2003); and, (3) no compelling reasons for denial exist. Suspension of liquidation will be extended accordingly.

This notice of postponement is published pursuant to section 735(a) of the Act and 19 CFR 351.210(g).

Dated: February 19, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–4139 Filed 2–24–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–863]

Notice of Extension of Time Limit of Final Results of New Shipper Review: Honey From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of extension of time limit of final results of antidumping duty new shipper review.

SUMMARY: The Department of Commerce is extending the time limit of the final results of the new shipper review of the

RESPONDENT ANNUAL BURDEN HOUR CHART—Continued

30 CFR section	Reporting requirement	Burden hours per response	Annual number of responses	Annual burden hours
218.57(a)(2)	Providing information and claiming rewards. (a) General. * * * (2) If a person has any information he or she believes would be valuable to MMS, that person ("informant") should submit the information in writing, in the form of a letter * * *	Burden covered by OMB Control Number 1010–0107.		
218.57(b)(3)	Providing information and claiming rewards. (b) Claim for reward. * * * (3) To file a claim for reward the informant must: (i) Notify the Director, MMS * * * that he/she is claiming a reward * * *	Burden covered by OMB Control Number 1010–0107.		
218.201(b)	Method of payment. You must tender all payments * * *, except as follows: * * * (b) For Form MMS–4430 payments, include both your customer identification and your customer document identification numbers on your payment document * * *	20 seconds	1,095	6
		Total	5,631	1,488

Estimated Annual Reporting and Recordkeeping "Non-hour Cost" Burden: We have identified no "non-hour" cost burdens.

Comments: The PRA (44 U.S.C. 3501, *et seq.*) provides an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Before submitting an ICR to OMB, PRA section 3506(c)(2)(A) requires each agency "* * * to provide notice * * * and otherwise consult with members of the public and affected agencies concerning each proposed collection of information * * *." Agencies must specifically solicit comments to: (a) Evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

The PRA also requires agencies to estimate the total annual reporting "non-hour cost" burden to respondents or recordkeepers resulting from the collection of information. We have not identified non-hour cost burdens for this information collection. If you have costs to generate, maintain, and disclose this information, you should comment and provide your total capital and startup cost components or annual operation, maintenance, and purchase of service components. You should describe the methods you use to estimate major cost factors, including system and technology acquisition, expected useful life of capital equipment, discount rate(s), and the period over which you incur costs. Capital and startup costs include, among other items, computers and software you purchase to prepare for collecting information; monitoring, sampling, and testing equipment; and record storage facilities. Generally, your estimates should not include equipment or services purchased: (i) Before October 1, 1995; (ii) to comply with requirements not associated with the information collection; (iii) for reasons other than to provide information or keep records for the Government; or (iv) as part of customary and usual business or private practices.

We will summarize written responses to this notice and address them in our ICR submission for OMB approval, including appropriate adjustments to the estimated burden. We will provide a copy of the ICR to you without charge upon request, and the ICR will also be posted on our Web site at *http://www.mrm.mms.gov/Laws_R_D/FRNotices/FRInfColl.htm.*

Public Comment Policy: We will post all comments in response to this notice on our Web site at *http://www.mrm.mms.gov/Laws_R_D/FRNotices/FRInfColl.htm.* We will also make copies of the comments available for public review, including names and addresses of respondents, during regular business hours at our offices in Lakewood, Colorado. Individual respondents may request we withhold their home addresses from the public record, which we will honor to the extent allowable by law. There also may be circumstances in which we would withhold from the rulemaking record a respondent's identity, as allowable by law. If you request that we withhold your name and/or address, state this prominently at the beginning of your comment. However, we will not consider anonymous comments. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

MMS Federal Register Liaison Officer: Denise Johnson (202) 208–3976.

Dated: March 1, 2004.

Lucy Querques Denett,

Associate Director for Minerals Revenue Management.

[FR Doc. 04–5066 Filed 3–5–04; 8:45 am]

BILLING CODE 4310–MR–U

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–1047 (Final)]

Ironing Tables and Certain Parts Thereof from China

AGENCY: International Trade Commission.

ACTION: Scheduling of the final phase of an antidumping investigation.

SUMMARY: The Commission hereby gives notice of the scheduling of the final phase of antidumping investigation No. 731–TA–1047 (Final) under section 735(b) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)) (the Act) to determine whether an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of less-than-fair-value imports from China of ironing tables and certain parts thereof, provided for in subheadings 9403.20.00 and 9403.90.80

of the Harmonized Tariff Schedule of the United States.[1]

For further information concerning the conduct of this phase of the investigation, hearing procedures, and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and C (19 CFR part 207).

EFFECTIVE DATE: February 3, 2004.

FOR FURTHER INFORMATION CONTACT: Megan Spellacy (202–205–3190), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server *(http://www.usitc.gov)*. The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*.

SUPPLEMENTARY INFORMATION:

Background. The final phase of this investigation is being scheduled as a result of an affirmative preliminary determination by the Department of Commerce that imports of ironing tables and certain parts thereof from China are being sold in the United States at less than fair value within the meaning of section 733 of the Act (19 U.S.C. 1673b). The investigation was requested in a petition filed on June 30, 2003, by Home Products International, Inc. (HPI), Chicago, IL.

Participation in the investigation and public service list. Persons, including industrial users of the subject merchandise and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the final phase of this investigation as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11 of the Commission's rules, no later than 21 days prior to the hearing date specified in this notice. A party that filed a notice of appearance during the preliminary phase of the investigation need not file an additional notice of appearance during this final phase. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the investigation.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and BPI service list. Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in the final phase of this investigation available to authorized applicants under the APO issued in the investigation, provided that the application is made no later than 21 days prior to the hearing date specified in this notice. Authorized applicants must represent interested parties, as defined by 19 U.S.C. 1677(9), who are parties to the investigation. A party granted access to BPI in the preliminary phase of the investigation need not reapply for such access. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Staff report. The prehearing staff report in the final phase of this investigation will be placed in the nonpublic record on June 1, 2004 and a public version will be issued thereafter, pursuant to section 207.22 of the Commission's rules.

Hearing. The Commission will hold a hearing in connection with the final phase of this investigation beginning at 9:30 a.m. on June 15, 2004 at the U.S. International Trade Commission Building. Requests to appear at the hearing should be filed in writing with the Secretary to the Commission on or before June 8, 2004. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the hearing. All parties and nonparties desiring to appear at the hearing and make oral presentations should attend a prehearing conference to be held at 9:30 a.m. on June 10, 2004, at the U.S. International Trade Commission Building. Oral testimony and written materials to be submitted at the public hearing are governed by sections 201.6(b)(2), 201.13(f), and 207.24 of the Commission's rules. Parties must submit any request to present a portion of their hearing testimony *in camera* no later than 7 days prior to the date of the hearing.

Written submissions. Each party who is an interested party shall submit a prehearing brief to the Commission. Prehearing briefs must conform with the provisions of section 207.23 of the Commission's rules; the deadline for filing is June 8, 2004. Parties may also file written testimony in connection with their presentation at the hearing, as provided in section 207.24 of the Commission's rules, and posthearing briefs, which must conform with the provisions of section 207.25 of the Commission's rules. The deadline for filing posthearing briefs is June 22, 2004; witness testimony must be filed no later than three days before the hearing. In addition, any person who has not entered an appearance as a party to the investigation may submit a written statement of information pertinent to the subject of the investigation on or before June 22, 2004. On July 9, 2004, the Commission will make available to parties all information on which they have not had an opportunity to comment. Parties may submit final comments on this information on or before July 13, 2004, but such final comments must not

[1] For purposes of this investigation, the Department of Commerce has defined the subject merchandise as "* * * floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this investigation.

Furthermore, this investigation specifically covers imports of ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this investigation, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means a product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, *e.g.* iron rest or linen rack. The term "incomplete" ironing table means a product shipped or sold as a "bare board"—*i.e.*, a metal-top table only, without the pad and cover—with or without additional features, *e.g.* iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by this investigation under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The investigation covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or counter top models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under the new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope remains dispositive."

contain new factual information and must otherwise comply with section 207.30 of the Commission's rules. All written submissions must conform with the provisions of section 201.8 of the Commission's rules; any submissions that contain BPI must also conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the investigation must be served on all other parties to the investigation (as identified by either the public or BPI service list), and a certificate of service must be timely filed. The Secretary will not accept a document for filing without a certificate of service.

Authority: This investigation is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.21 of the Commission's rules.

Issued: March 3, 2004.

By order of the Commission.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 04–5160 Filed 3–5–04; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. TA–2104–11]

U.S.-Australia Free Trade Agreement: Potential Economywide and Selected Sectoral Effects

AGENCY: International Trade Commission.

ACTION: Institution of investigation and scheduling of public hearing.

SUMMARY: Following receipt on February 17, 2004 of a request from the United States Trade Representative (USTR), the Commission instituted investigation No. TA–2104–11, U.S.-Australia Free Trade Agreement: Potential Economywide and Selected Sectoral Effects, under section 2104(f) of the Trade Act of 2002 (19 U.S.C. 3804(f)).

Background: As requested by the USTR, the Commission will prepare a report as specified in section 2104(f)(2)–(3) of the Trade Act of 2002 assessing the likely impact of the U.S. Free Trade agreement with Australia on the United States economy as a whole and on specific industry sectors and the interests of U.S. consumers. The report will assess the likely impact of the agreement on the United States economy as a whole and on specific industry sectors, including the impact the agreement will have on the gross domestic product, exports and imports, aggregate employment and employment opportunities, the production, employment, and competitive position of industries likely to be significantly affected by the agreement, and the interests of United States consumers.

In preparing its assessment, the Commission will review available economic assessments regarding the agreement, including literature regarding any substantially equivalent proposed agreement, and will provide in its assessment a description of the analyses used and conclusions drawn in such literature, and a discussion of areas of consensus and divergence between the various analyses and conclusions, including those of the Commission regarding the agreement.

Section 2104(f)(2) requires that the Commission submit its report to the President and the Congress not later than 90 days after the President enters into the agreement, which he can do 90 days after he notifies the Congress of his intent to do so. The President notified the Congress on February 13, 2004, of his intent to enter into an FTA with Australia.

The Commission has begun its assessment, and it will seek public input for the investigation through a public hearing on March 30, 2004 (*see* below).

EFFECTIVE DATE: March 2, 2004.

FOR FURTHER INFORMATION CONTACT: Thomas Jennings, Project Leader, Office of Economics (202–205–3260). For information on the legal aspects of this investigation, contact William Gearhart of the Office of the General Counsel (202–205–3091 or *william.gearhart@usitc.gov*). For media information, contact Peg O'Laughlin (202–205–1819). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal on (202–205–1810).

Public Hearing: A public hearing in connection with this investigation is scheduled to begin at 9:30 a.m. on March 30, 2004, at the U.S. International Trade Commission Building, 500 E Street SW., Washington, DC. Requests to appear at the public hearing should be filed with the Secretary, no later than 5:15 p.m., March 16, 2004 in accordance with the requirements in the "Submissions" section below. In the event that, as of the close of business on March 16, 2004, no witnesses are scheduled to appear at the hearing, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary (202–205–2000) after March 16, 2004, to determine whether the hearing will be held.

Statements and Briefs: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements or briefs concerning the investigation in accordance with the requirements in the "Submissions" section below. Any prehearing briefs or statements should be filed not later than 5:15 p.m., March 22, 2004; the deadline for filing post-hearing briefs or statements is 5:15 p.m., April 6, 2004.

Submissions: All written submissions including requests to appear at the hearing, statements, and briefs, should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW., Washington, DC 20436. All written submissions must conform with the provisions of section 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8); any submissions that contain confidential business information must also conform with the requirements of section 201.6 of the Commission's Rules of Practice and Procedure (19 CFR 201.6). Section 201.8 of the rules require that a signed original (or a copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted. Section 201.6 of the rules require that the cover of the document and the individual pages clearly be marked as to whether they are the "confidential" or "nonconfidential" version, and that the confidential business information be clearly identified by means of brackets.

The Commission intends to publish only a public report in this investigation. Accordingly, any confidential business information received by the Commission in this investigation and used in preparing the report will not be published in a manner that would reveal the operations of the firm supplying the information.

The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's Rules (19 CFR 201.8) (*see* Handbook for Electronic Filing Procedures, *ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf*).

from public disclosure, as allowable by law. If you wish to have your name and/or address withheld, you must state this prominently at the beginning of your comment. Reclamation will make all submissions from organizations or businesses and from individuals identifying themselves as representatives or officials of organizations or businesses available for public disclosure in their entirety.

Dated: March 12, 2004.

Mary Josie Blanchard,

Acting Director, Office of Environmental Policy and Compliance.

[FR Doc. 04–7186 Filed 3–30–04; 8:45 am]

BILLING CODE 4310–MN–P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

Notice of Proposed Information Collection for 1029–0024 and 1029–0113

AGENCY: Office of Surface Mining Reclamation and Enforcement.

ACTION: Notice and request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the Office of Surface Mining Reclamation and Enforcement (OSM) is announcing its intention to request approval for the collections of information for the Procedures and Criteria for Approval or Disapproval of State Program submissions, 30 CFR part 732; and General Reclamation Requirements, 30 CFR part 874.

DATES: Comments on the proposed information collection must be received by June 1, 2004, to be assured of consideration.

ADDRESSES: Mail comments to John A. Trelease, Office of Surface Mining Reclamation and Enforcement, 1951 Constitution Ave, NW., Room 210–SIB, Washington, DC 20240. Comments may also be submitted electronically to *jtreleas@osmre.gov.*

FOR FURTHER INFORMATION CONTACT: To request a copy of the information collection requests, explanatory information and related forms, contact John A. Trelease, at (202) 208–2783 or electronically at *jtreleas@osmre.gov.*

SUPPLEMENTARY INFORMATION: The Office of Management and Budget (OMB) regulations at 5 CFR part 1320, which implementing provisions of the Paperwork Reduction Act of 1995 (Pub. L. 104–13), require that interested members of the public and affected agencies have an opportunity to comment on information collection recordkeeping activities (*see* 5 CFR 1320.8(d)). This notice identifies information collections that OSM will be submitting to OMB for extension. These collections are contained in 30 CFR parts 732 and 874.

OSM has revised burden estimates, where appropriate, to reflect current reporting levels or adjustments based on reestimates of burden or respondents. OSM will request a 3-year term of approval for these information collection activities.

Comments are invited on: (1) The need for the collection of information for the performance of the functions of the agency; (2) the accuracy of the agency's burden estimates; (3) ways to enhance the quality, utility and clarity of the information collections; and (4) ways to minimize the information collection burden on respondents, such as use of automated means of collection of the information. A summary of the public comments will accompany OSM's submissions of the information collection requests to OMB.

This notice provides the public with 60 days in which to comment on the following information collection activities:

Title: Procedures and Criteria for Approval or Disapproval of State Program Submissions, 30 CFR part 732.

OMB Control Number: 1029–0024.

Summary: Part 732 establishes the procedures and criteria for approval and disapproval of State program submissions. The information submitted is used to evaluate whether State regulatory authorities are meeting the provisions of their approved programs.

Bureau Form Number: None.

Frequency of Collection: Once and annually.

Description of Respondents: 24 State regulatory authorities.

Total Annual Responses: 51.

Total Annual Burden House: 6,405.

Title: General Reclamation Requirements, 30 CFR part 874.

OMB Control Number: 1029–0113.

Summary: Part 874 establishes land and water eligibility requirements, reclamation objectives and priorities and reclamation contractor responsibility. 30 CFR 874.17 requires consultation between the AML agency and the appropriate Title V regulatory authority on the likelihood of removing the coal under a Title V permit and concurrences between the AML agency and the appropriate title V regulatory authority on the AML project boundary and the amount of coal that would be extracted under the AML reclamation project.

Bureau Form Number: None.

Frequency of Collection: Once.

Description of Respondents: 16 State regulatory authorities and Indian tribes.

Total Annual Responses: 16.

Total Annual Burden Hours: 1,168.

Dated: March 26, 2004.

Sarah E. Donnelly,

Acting Chief, Division of Regulatory Support.

[FR Doc. 04–7216 Filed 3–30–04; 8:45 am]

BILLING CODE 4310–05–M

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–1047 (Final)]

Ironing Tables and Certain Parts Thereof From China

AGENCY: International Trade Commission.

ACTION: Revised schedule for the subject investigation.

EFFECTIVE DATE: March 25, 2004.

FOR FURTHER INFORMATION CONTACT: Megan Spellacy (202–205–3190), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

SUPPLEMENTARY INFORMATION: On March 3, 2004, the Commission established a schedule for the conduct of the final phase of the subject investigation (69 FR 10753, March 8, 2004). The Commission is revising its schedule to redress a scheduling conflict created by a schedule change in another case before the ITC.

The Commission's new schedule for the investigation is as follows: the deadline for filing prehearing briefs is June 9, 2004; the hearing will be held at the U.S. International Trade Commission Building at 9:30 a.m. on June 16, 2004; and the deadline for filing posthearing briefs is June 23, 2004.

For further information concerning this investigation see the Commission's notice cited above and the

Commission's rules of practice and procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and C (19 CFR part 207).

Authority: This investigation is being conducted under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.21 of the Commission's rules.

By order of the Commission.

Issued: March 25, 2004.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 04–7151 Filed 3–30–04; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–439–440 and 731–TA–1077–1080 (Preliminary)]

Polyethylene Terephthalate (PET) Resin From India, Indonesia, Taiwan, and Thailand

AGENCY: International Trade Commission.

ACTION: Institution of countervailing duty and antidumping investigations and scheduling of preliminary phase investigations.

SUMMARY: The Commission hereby gives notice of the institution of investigations and commencement of preliminary phase countervailing duty and antidumping investigations Nos. 701–TA–439–440 (Preliminary) and 731–TA–1077–1080 (Preliminary) under 703(a) and 733(a) of the Tariff Act of 1930 (19 U.S.C. 1671b(a) and 1673b(a)) (the Act) to determine whether there is a reasonable indication that an industry in the United States is materially injured or threatened with material injury, or the establishment of an industry in the United States is materially retarded, by reason of imports from India and Thailand of polyethylene terephthalate (PET) resin, provided for in subheading 3907.60.00 of the Harmonized Tariff Schedule of the United States, that are alleged to be subsidized by the Governments of India and Thailand and by reason of imports from India, Indonesia, Taiwan, and Thailand of PET resin that are alleged to be sold in the United States at less than fair value. Unless the Department of Commerce extends the time for initiation pursuant to 702(c)(1)(B) and 732(c)(1)(B) of the Act (19 U.S.C. 1671a(c)(1)(B) and 1673a(c)(1)(B)), the Commission must reach preliminary determinations in countervailing and antidumping duty investigations in 45 days, or in this case by May 10, 2004. The Commission's views are due at Commerce within five business days thereafter, or by May 17, 2004.

For further information concerning the conduct of these investigations and rules of general application, consult the Commission's rules of practice and procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A and B (19 CFR part 207).

EFFECTIVE DATE: March 24, 2004.

FOR FURTHER INFORMATION CONTACT: Jim McClure (202–205–3191), Office of Investigations, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov*.

SUPPLEMENTARY INFORMATION:

Background

These investigations are being instituted in response to petitions filed on March 24, 2004, by the U.S. PET Resin Producers' Coalition, Washington, DC.

Participation in the Investigations and Public Service List

Persons (other than petitioners) wishing to participate in the investigations as parties must file an entry of appearance with the Secretary to the Commission, as provided in sections 201.11 and 207.10 of the Commission's rules, not later than seven days after publication of this notice in the **Federal Register**. Industrial users and (if the merchandise under investigation is sold at the retail level) representative consumer organizations have the right to appear as parties in Commission countervailing and antidumping duty investigations. The Secretary will prepare a public service list containing the names and addresses of all persons, or their representatives, who are parties to these investigations upon the expiration of the period for filing entries of appearance.

Limited Disclosure of Business Proprietary Information (BPI) Under an Administrative Protective Order (APO) and BPI Service List

Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI gathered in these investigations available to authorized applicants representing interested parties (as defined in 19 U.S.C. 1677(9)) who are parties to the investigations under the APO issued in the investigations, provided that the application is made not later than seven days after the publication of this notice in the **Federal Register**. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Conference

The Commission's Director of Operations has scheduled a conference in connection with these investigations for 9:30 a.m. on April 14, 2004, at the U.S. International Trade Commission Building, 500 E Street, SW., Washington, DC. Parties wishing to participate in the conference should contact Jim McClure (202–205–3191) not later than April 12, 2004, to arrange for their appearance. Parties in support of the imposition of countervailing and antidumping duties in these investigations and parties in opposition to the imposition of such duties will each be collectively allocated one hour within which to make an oral presentation at the conference. A nonparty who has testimony that may aid the Commission's deliberations may request permission to present a short statement at the conference.

Written Submissions

As provided in sections 201.8 and 207.15 of the Commission's rules, any person may submit to the Commission on or before April 19, 2004, a written brief containing information and arguments pertinent to the subject matter of the investigations. Parties may file written testimony in connection with their presentation at the conference no later than three days before the conference. If briefs or written testimony contain BPI, they must conform with the requirements of sections 201.6, 207.3, and 207.7 of the Commission's rules. The Commission's rules do not authorize filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's rules, as amended, 67 FR 68036 (November 8, 2002).

In accordance with sections 201.16(c) and 207.3 of the rules, each document

determination. Interested parties may submit case briefs on the later of 50 days after the date of publication of this notice or one week after the issuance of the verification reports. *See* 19 CFR 351.309(c)(1)(i). Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days after the deadline for the submission of case briefs. *See* 19 CFR 351.309(d). A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department. Executive summaries should be limited to five pages total, including footnotes. Further, we request that parties submitting briefs and rebuttal briefs provide the Department with a copy of the public version of such briefs on diskette.

In accordance with section 774 of the Act, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If a request for a hearing is made, we will tentatively hold the hearing two days after the deadline for submission of rebuttal briefs at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230, at a time and in a room to be determined. Parties should confirm by telephone the date, time, and location of the hearing 48 hours before the scheduled date.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, within 30 days of the date of publication of this notice. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. At the hearing, oral presentations will be limited to issues raised in the briefs. See 19 CFR 351.310(c). The Department will make its final determination no later than 135 days after the date of publication of this preliminary determination.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: June 18, 2004.

James J. Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–14363 Filed 6–23–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–888]

Notice of Final Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of final determination of sales at less than fair value.

DATES: *Effective Date:* June 24, 2004.

FOR FURTHER INFORMATION CONTACT: Paige Rivas or Sam Zengotitabengoa, AD/CVD Enforcement, Office 4, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–0651 or (202) 482–4195, respectively.

SUPPLEMENTARY INFORMATION:

Final Determination

We determine that floor-standing, metal-top ironing tables and certain parts thereof (ironing tables) from the People's Republic of China (PRC) are being sold, or are likely to be sold, in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The estimated margins of sales at LTFV are shown in the "Final Determination of Investigation" section of this notice.

Case History

On February 3, 2004, the Department of Commerce (the Department) published the preliminary determination of sales at LTFV in the antidumping duty investigation of ironing tables from the PRC. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China*, 69 FR 5127 (February 3, 2004) (*Preliminary Determination*). Since the preliminary determination, the following events have occurred.

On February 3, 2004, Shunde Yongjian Housewares Co. Ltd. (Yongjian), a mandatory respondent in this investigation, requested a full postponement of the final determination. Accordingly, on February 19, 2004, the Department published the postponement of the final determination from April 10, 2003, until June 13, 2004. *See Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China: Postponement of Final Antidumping Determination*, 69 FR 8625 (February 25, 2004). From February 23, 2004, through March 8, 2004, the Department conducted a sales and factors of production verification of Yongjian and Since Hardware (Guangzhou) Co., Ltd. (Since Hardware), the other mandatory respondent in this investigation. On March 4, 2004, the petitioner [1] filed a request for a public hearing in this investigation, but then withdrew its request on May 5, 2004. Since Hardware and Yongjian filed publicly available surrogate value information and data on March 29, 2004. The respondents filed case briefs on April 29, 2004, and the petitioner filed its case brief on April 30, 2004. The respondents filed rebuttal briefs on May 4, 2004, and the petitioner filed its rebuttal brief on May 5, 2004.

Due to the unexpected closure of the main Commerce building on Friday, June, 11, 2004, the Department has tolled the deadline for this final determination by two days to June 15, 2004.

Period of Investigation

The period of investigation (POI) is October 1, 2002, through March 31, 2003. This period corresponds to the two most recent fiscal quarters prior to the month of the filing of the petition (*i.e.*, June 2003). *See* 19 CFR 351.204(b)(1).

Scope of Investigation

For purposes of this investigation, the product covered consists of floor-standing, metal-top ironing tables, assembled or unassembled, complete or incomplete, and certain parts thereof. The subject tables are designed and used principally for the hand ironing or pressing of garments or other articles of fabric. The subject tables have full-height leg assemblies that support the ironing surface at an appropriate (often adjustable) height above the floor. The subject tables are produced in a variety of leg finishes, such as painted, plated, or matte, and they are available with various features, including iron rests, linen racks, and others. The subject ironing tables may be sold with or without a pad and/or cover. All types and configurations of floor-standing, metal-top ironing tables are covered by this investigation.

Furthermore, this investigation specifically covers imports of ironing

[1] The petitioner in this case is Home Products International, Inc. (HPI).

tables, assembled or unassembled, complete or incomplete, and certain parts thereof. For purposes of this investigation, the term "unassembled" ironing table means a product requiring the attachment of the leg assembly to the top or the attachment of an included feature such as an iron rest or linen rack. The term "complete" ironing table means a product sold as a ready-to-use ensemble consisting of the metal-top table and a pad and cover, with or without additional features, *e.g.* iron rest or linen rack. The term "incomplete" ironing table means a product shipped or sold as a "bare board"—*i.e.*, a metal-top table only, without the pad and cover—with or without additional features, *e.g.* iron rest or linen rack. The major parts or components of ironing tables that are intended to be covered by this investigation under the term "certain parts thereof" consist of the metal top component (with or without assembled supports and slides) and/or the leg components, whether or not attached together as a leg assembly. The investigation covers separately shipped metal top components and leg components, without regard to whether the respective quantities would yield an exact quantity of assembled ironing tables.

Ironing tables without legs (such as models that mount on walls or over doors) are not floor-standing and are specifically excluded. Additionally, tabletop or counter top models with short legs that do not exceed 12 inches in length (and which may or may not collapse or retract) are specifically excluded.

The subject ironing tables were previously classified under Harmonized Tariff Schedule of the United States (HTSUS) subheading 9403.20.0010. Effective July 1, 2003, the subject ironing tables are classified under the new HTSUS subheading 9403.20.0011. The subject metal top and leg components are classified under HTSUS subheading 9403.90.8040. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope remains dispositive.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this proceeding, and to which we have responded, are listed in the Appendix to this notice and addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. *See* Memorandum from Holly A. Kuga, Acting Deputy Assistant Secretary for Import Administration, Office II, to James Jochum, Assistant Secretary for Import Administration, "Issues and Decision Memorandum for the Final Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated concurrently with this notice, (Issues and Decision Memorandum) on file in the Central Records Unit (CRU) located in room B–099 of the Main Commerce Building.) and accessible on the Internet at *http://ia.ita.doc.gov*. The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

Non-Market Economy Country Status

The Department has treated the PRC as a non-market economy (NME) country in all its past antidumping investigations. *See Notice of Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Carbon-Quality Steel Pipe from the People's Republic of China*, 67 FR 36570, 36571 (May 24, 2002); and *Notice of Final Determination of Sales at Less Than Fair Value: Structured Steel Beams from the People's Republic of China*, 67 FR 35479, 35480 (May 20, 2000); and *Notice of Final Determination of Sales at Less Than Fair Value Certain: Folding Metal Tables and Chairs from the People's Republic of China*, 67 FR 20090 (April 24, 2002). In accordance with section 771(18)(C) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked. No party to this investigation has sought revocation of the NME status of the PRC. Therefore, pursuant to section 771(18)(C) of the Act, the Department will continue to treat the PRC as an NME country. For further details, see the *Preliminary Determination*.

Separate Rates

In our *Preliminary Determination*, we found that both mandatory responding companies, Since Hardware and Yongjian, and three of the four companies responding to Section A of the Department's questionnaire, Forever Holdings Ltd. (Forever Holdings), Gaoming Lihe Daily Necessities Co., Ltd. (Gaoming Lihe), and Harvest International Housewares Ltd. (Harvest International), met the criteria for the application of separate, company-specific antidumping duty rates. We have not received any other information since the preliminary determination which would warrant reconsideration of our separates rates determination with respect to these companies. For a complete discussion of the Department's determination that the respondents are entitled to a separate rate, see the *Preliminary Determination*.

The PRC-Wide Rate

In all NME cases, the Department makes a rebuttable presumption that all exporters located in the NME country comprise a single exporter under common government control, the "NME entity." *See Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People's Republic of China*, 61 FR 19026, 19027 (April 30, 1996) (*Bicycles from the PRC*). Although the Department provided all known PRC exporters of the subject merchandise with the opportunity to respond to our initial questionnaire, only Since Hardware, Yongjian, Forever Holdings, Gaoming Lihe, Harvest International, and Lerado responded. However, because other PRC companies did not submit a response to the Department's Section A quantity and value question, as discussed above in the "Case History" section of the *Preliminary Determination*, and did not demonstrate their entitlement to a separate rate, we have implemented the Department's rebuttable presumption that these exporters constitute a single enterprise under common control by the PRC government. Accordingly, we are applying adverse facts available to determine the single antidumping duty rate, the PRC-wide rate, applicable to all other PRC exporters comprising this single enterprise. *See, e.g., Final Determination of Sales at Less Than Fair Value: Synthetic Indigo from the People's Republic of China*, 65 FR 25706, 25707 (May 3, 2000).

Surrogate Country

For purposes of the final determination, we continue to find that India remains the appropriate surrogate country for the PRC. For further discussion and analysis regarding the surrogate country selection for the PRC, see the *Preliminary Determination*.

Verification

As provided in section 782(i) of the Act, we verified the information submitted by the respondents for use in our final determination. We used standard verification procedures including examination of relevant accounting and production records, and original source documents provided by the respondents. For changes from the *Preliminary Determination* as a result of verification, see the "Changes Since the Preliminary Determination" section below.

Changes Since the Preliminary Determination

Based on our findings at verification and on our analysis of the comments received, we have made adjustments to the calculation methodologies used in the preliminary determination. These adjustments are listed below and discussed in detail in the: (1) Issues and Decision Memorandum; (2) Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, Group II, Office 4, to the File, "Surrogate Country Factors of Production Values in the Final Determination of the Antidumping Duty Investigation on Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated concurrently with this notice, (Surrogate Factors Valuation Memo); and, (3) Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, Group II, Office 4, to the File, "Since Hardware's Margin Calculation Analysis for the Final Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated concurrently with this notice (Since Hardware's Calculation Memorandum), and Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, Group II, Office 4, to the File, "Yongjian's Margin Calculation Analysis for the Final Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated concurrently with this notice (Yongjian's Calculation Memorandum).

1. We revised the PRC labor rate. *See* Issues and Decision Memorandum, at Comment 2.
2. We revised the calculation of inland truck freight. *See* Issues and Decision Memorandum, at Comment 3.
3. We revised our surrogate value for PE septa. *See* Issues and Decision Memorandum, at Comment 4–B.
4. We revised our surrogate value of stainless steel. *See* Issues and Decision Memorandum, at Comment 4–C.
5. We revised our surrogate value of welding wire. *See* Issues and Decision Memorandum, at Comment 4–D.
6. We revised our surrogate value of pigment. *See* Issues and Decision Memorandum, at Comment 4–E.
7. We revised our surrogate value for silica gel parts. *See* Issues and Decision Memorandum, at Comment 4–F.
8. We revised our surrogate value for cotton rope. *See* Issues and Decision Memorandum, at Comment 4–H.
9. We revised our surrogate value for glue. *See* Issues and Decision Memorandum, at Comment 4–J.
10. We revised our surrogate value for cotton fixing strips. *See* Issues and Decision Memorandum, at Comment 4–K.
11. We revised our surrogate value for cold rolled steel. *See* Issues and Decision Memorandum, at Comment 6 and Comment 6–A.
12. We revised our surrogate value for hot rolled steel. *See* Issues and Decision Memorandum, at Comment 6–B.
13. We revised our surrogate value for steel wire rod. *See* Issues and Decision Memorandum, at Comment 6–C.
14. We revised our surrogate value for powder coating. *See* Issues and Decision Memorandum, at Comment 6–F.
15. We did not grant Since Hardware's billing adjustment. *See* Issues and Decision Memorandum, at Comment 9.
16. We revised the surrogate financial ratios for overhead, SG&A, and profit. *See* Issues and Decision Memorandum, at Comment 10.
17. We revised the data contained in Yongjian's factors of production database, based on our findings at verification. *See* Issues and Decision Memorandum, at Comment 11.
18. We revised the inland freight distances for the materials whose values were either not reported or mis-reported at the preliminary determination. *See* Surrogate Factors Valuation Memo.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B)(ii) of the Act, we are directing U.S. Customs and Border Protection (CBP) to continue suspension liquidation of entries of subject merchandise from the PRC that are entered, or withdrawn from warehouse, for consumption on or after February 3, 2004 (the date of publication of the *Preliminary Determination* in the **Federal Register**). We will instruct CBP to require a cash deposit or the posting of a bond equal to the weighted-average amount by which NV exceeds the U.S. price, as indicated in the chart below. These suspension-of-liquidation instructions will remain in effect until further notice.

Final Determination of Investigation

We determine that the following weighted-average percentage margins exist for the period October 1, 2002, through March 31, 2003:

Manufacturer/exporter	Weighted-average margin (percent)
Since Hardware (Guangzhou) Co., Ltd	6.60
Shunde Yongjian Housewares Co., Ltd	113.80
Forever Holdings Ltd	52.04
Gaoming Lihe Daily Necessities Co., Ltd	52.04
Harvest International Housewares Ltd	52.04
PRC-Wide Rate	113.80

The PRC-wide rate applies to all entries of the subject merchandise except for entries from Since Hardware, Yongjian, Forever Holdings, Harvest International, and Gaoming Lihe.

International Trade Commission Notification

In accordance with section 735(d) of the Act, we have notified the International Trade Commission (ITC) of our determination. As our final determination is affirmative, the ITC will determine, within 45 days, whether these imports are materially injuring, or threaten material injury to, the U.S. industry. If the ITC determines that material injury, or threat of material injury does not exist, the proceeding will be terminated and all securities posted will be refunded or cancelled. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order directing CBP officials to assess antidumping duties on all imports of subject merchandise entered for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination is issued and published in accordance with sections 735(d) and 777(i)(1) of the Act.

Dated: June 15, 2004.

James J. Jochum,

Assistant Secretary, for Import Administration.

Appendix—Issues and Decision Memorandum

Comment 1: Whether the Department Should Correct Alleged Ministerial Errors in the Preliminary Determination
Comment 2: Whether the Department Should Use the Most Current Wage Rate for China
Comment 3: Whether the Department Should Correct Surrogate Values for Inland Freight and Brokerage and Handling
Comment 4: Whether the Department Should Use Different Harmonized Tariff Classifications for Certain Material Inputs
Comment 5: Whether the Department Used the Best Available Data Source To Value Certain Material Inputs
Comment 6: Whether the Department Used Aberrant Surrogate Values for Certain Material Inputs
Comment 7: Whether the Department Should Accept Since Hardware's Market Economy Purchases That Were Not Verified by the Department
Comment 8: Whether the Department Should Use the Market Economy Price to Value Cold-Rolled Steel Inputs
Comment 9: Whether the Department Should Consider Billing Adjustments in the Calculation of Since Hardware's U.S. Price
Comment 10: Whether the Department Selected the Proper Data Source for its Calculation of Surrogate Overhead, SG&A, and Profit Ratios
Comment 11: Corrections Arising From Verification

A–570–888, Investigation, POI: 10/01/2002–3/31/2003, Public Document, GIIO4:SZ.
Memorandum to: James Jochum, Assistant Secretary for Import Administration.
From: Holly A. Kuga, Acting Deputy Assistant Secretary for Import Administration, Office II.
Subject: Issues and Decision Memorandum for the Final Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof From the People's Republic of China.

Summary: We have analyzed the comments and rebuttal comments of the interested parties in the antidumping duty investigation of floor-standing, metal-top ironing tables and certain parts thereof (ironing tables) from the People's Republic of China (PRC). As a result of our analysis of the preliminary determination, we have made changes in the margin calculations, including corrections of certain inadvertent errors. We recommend that you approve the positions we have developed in the "Discussion of the Issues" section of this memorandum for this final determination.

Below is the complete list of issues in this investigation for which we received comments and rebuttal comments from Home Products International, Inc. (the petitioner), and the respondents, Since Hardware (Guangzhou) Co., Ltd., (Since Hardware), and Shunde Yongjian Housewares Co., Ltd. (Yongjian):

Comment 1: Whether the Department Should Correct Alleged Ministerial Errors in the Preliminary Determination
Comment 2: Whether the Department Should Use the Most Current Wage Rate for China
Comment 3: Whether the Department Should Correct Surrogate Values for Inland Freight and Brokerage and Handling
Comment 4: Whether the Department Should Use Different Harmonized Tariff Classifications for Certain Material Inputs
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Comment 11: Corrections Arising From Verification

Background

On February 3, 2004, the Department of Commerce (the Department) published the preliminary determination in the less-than-fair-value investigation of ironing tables from the PRC. *See Notice of Preliminary Determination of Sales at Less Than Fair Value: Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China,* 69 FR 5127 (February 3, 2004) (*Preliminary Determination*). The products covered by this investigation are certain ironing tables. The period of investigation (POI) is October 1, 2002, through March 31, 2003.

We invited parties to comment on the preliminary determination. The respondents filed case briefs on April 29, 2004, and the petitioner filed its case brief on April 30, 2004. The respondents filed rebuttal briefs on May 4, 2004, and the petitioner filed its rebuttal brief on May 5, 2004. On June 2, 2004, we received additional comments from Yongjian. On June 10, 2004, we returned the comments to Yongjian as untimely submitted and removed the submission from the official record. Based on our analysis of the comments received, as well as our findings at verification, we have changed the weighted-average margins from those presented in the preliminary determination.

Discussion of the Issues

Comment 1: Whether the Department Should Correct Alleged Ministerial Errors in the Preliminary Determination

Since Hardware claims that in the *Preliminary Determination,* the Department made two ministerial errors in the margin calculation program that must be corrected for the final determination. *See* Comments from Adams C. Lee, Counsel to Since Hardware, to the Honorable Donald L. Evans, Secretary of Commerce, "Since Hardware's Case Brief," dated April 29, 2004 (Since Hardware's Case Brief), at 1–3.

First, Since Hardware contends that, in calculating the deduction for domestic inland freight and brokerage and handling, the Department inadvertently added the weight for the pads and covers inputs to the reported WEIGHT variable. Since Hardware states that, at verification, the Department confirmed that the total weight of each product reported in the field WEIGHT includes both the weight of the material inputs used for the metal ironing board and, also, the inputs used to produce the ironing board pad and cover. *See* Since Hardware's Case Brief, at 2, citing to *Since Hardware Factors of Production Verification Exhibits,* Exhibit 5, page 1, including handwritten notes from the Department's verifier stating that the reported product weight for production code SFT28-I–1454 is reported "w/ pad, cover, string." Since Hardware urges that the Department correct this error for the purposes of the final determination.

Second, Since Hardware and Yongjian allege that the Department improperly added the cost of packing materials to the total cost of manufacturing prior to the application of the surrogate overhead ratio. Since Hardware notes that it has been the Department's practice to add packing costs in its normal value calculation after the application of the surrogate financial ratios. *See* Since Hardware's Case Brief, at 2 and 3; *See* Rebuttal Comments from Francis J. Sailer, Counsel for Shunde Yongjian Housewares Co., Ltd., to the Honorable Donald L. Evans, Secretary of Commerce, "Yongjian's Rebuttal Brief," dated May 4, 2004 (Yongjian's Rebuttal Brief), at 3 and 4. Since Hardware and Yongjian urge that the Department correct this error for the purposes of the final determination.

In rebuttal, the petitioner claims that various errors alleged by Since Hardware do not warrant correction by the Department. The petitioner notes that the Department was justified in adding pad and cover materials to Since Hardware's reported WEIGHT variable for purposes of calculating adjustments for domestic inland freight and brokerage and handling. The petitioner claims that the record does not show that Since Hardware included the pad and cover weights in the reported WEIGHT values. The petitioner points out that the only product unit weight reference by Since Hardware with respect to the factors of production data is the "unit steel weight of each product" used to derive a steel consumption ratio and recovered steel scrap figure. Id., at 45 and 46. Moreover, the petitioner states that the Since Hardware Cost Verification Report does not

support Since Hardware's claim that the reported total weights include the weight of pads and covers. In fact, the petitioner claims that, with respect to component weights (not the reported total product weight), the Since Hardware Cost Verification Report states that the verifiers "took apart the selected ironing boards model * * * and weighed the actual weight of the above-mentioned materials and compared the weights to the weights reported * * *." Therefore, the petitioner argues, the materials were weighed separately and not included in the weight of the bare board. According to the petitioner, Since Hardware's allegation of double-counting the pad and cover weights should be disregarded. *See* Comments from Roberta Kinsela Daghir, Counsel to Home Products International Inc., to the Honorable Donald L. Evans, Secretary of Commerce, "Petitioner's Case Brief," dated April 30, 2004 (Petitioner's Case Brief).

Department's Position: We agree with the petitioner. In the *Preliminary Determination*, the Department (1) properly added pad and cover weights to Since Hardware's WEIGHT variable, in order to achieve a proper full weight for purposes of calculating adjustments for domestic inland freight and brokerage and handling, and (2) appropriately added packing to each of the respondent's total cost of manufacturing in the build up to normal value. Therefore, the Department did not make two ministerial errors in the margin calculation program.

In order to calculate the deduction for domestic inland freight and brokerage and handling, the Department must use the total weight of the merchandise being transported and handled. The record indicates that "Since Hardware has reported the weight of the bare board product (*i.e.* without pad and cover) * * *." *See* Since Hardware's Sections C and D Questionnaire Response, dated October 14, 2003, at 5. For the calculation of Since Hardware's margin in the preliminary determination, the Department stated that Since Hardware's WEIGHT field represents the "bare weight of the ironing board* * *." *See* Memorandum to the File from Sam Zengotitabengoa, Import Compliance Specialist, to the File, "Since Hardware's Margin Calculation Analysis for the Preliminary Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated January 26, 2004. As a result of Since Hardware's response that its WEIGHT variable includes only the bare weight of the ironing board, the Department added the pad, cover, and packing material weights to the WEIGHT variable. Therefore, by adding the weight of the pad, cover, and packing materials to the weight of the bare board weight reported in the field WEIGHT, the Department obtained the total weight of the ironing board, which is required in order to calculate the selling expense deductions for domestic inland freight and brokerage and handling.

At verification, the Department's verifiers found no discrepancies in Since Hardware's questionnaire response with regard to the weight of the bare board reported in the field WEIGHT. *See* Memorandum from Paige Rivas and Sam Zengotitabengoa, Import Compliance Specialists, to Tom Futtner, Acting Office Director, "Report on the Verification of the Questionnaire Responses of Since Hardware," dated April 20, 2004. With respect to Since Hardware's allegation that the verifiers' handwritten note confirms that the weight reported in the field WEIGHT includes the pad and cover weight, we disagree. The handwritten note does not verify that Since Hardware's reported product weight for production code SFT28–I–1454 includes "* * *pad, cover, string." In this note, the verifiers were referring, instead, to the verifiers' methodology. The verifiers measured the reported WEIGHT of the bare board, as well as the other components associated with production code SFT28–I–1454. The verifiers' note indicates that the pad, cover, and string were also measured but the verified weights were not taken as an exhibit. As the final verification report indicates, the Department's verifiers noted no discrepancies in Since Hardware's bare board WEIGHT questionnaire response. Therefore, for this final determination, the Department will continue to calculate Since Hardware's adjustment for domestic inland freight and brokerage and handling by adding the pad and cover weights with the weight of the bare board reported in the field WEIGHT.

Second, Since Hardware alleges that the Department mistakenly added packing costs to the normal value calculation before the application of the surrogate financial ratios. We disagree that this methodology is incorrect. In this case, the Department was not able to separately identify packing costs in the financial statements of Godrej & Boyce Manufacturing Co., Ltd. (Godrej), the company used to calculate the financial ratios used in our calculation of normal value. Because it is reasonable to assume that all expenses are included in any income statement, we know that packing costs are included in the Godrej data. Although packing is not presented as a separate line item within the Godrej's data, the primary line item used by the Department in calculating the cost of manufacture is "raw materials consumed." Furthermore, we note that Schedule T of the income statement provides a list of the items that constitute new materials consumed, one of which is titled "others." Since companies frequently include packing materials in the cost of manufacturing, it is reasonable to assume that packing costs are included in this line item. In the *Preliminary Determination* calculation build up to normal value, the Department added the cost of packing materials to the cost of manufacturing prior to the application of the surrogate financial ratio in order to apply these ratios in a manner consistent with how the ratios were calculated. Therefore, for this final determination, the Department continues to add packing to the cost of manufacturing in the calculation build up to normal value.

Comment 2: Whether the Department Should Use the Most Current Wage Rate for China

The petitioner contends that the data source used to derive the PRC's labor wage rate was last updated on May 14, 2003, subsequent to the *Preliminary Determination*. As such, for this final determination, the petitioner urges the Department to value the wage rate for the PRC by incorporating the most current and contemporaneous data available. *See* Petitioner's Case Brief, at 11.

Department's Position: We agree with the petitioner. The Department will value the PRC's labor wage rate using the most current labor rate of USD 0.90/hr. *See* "Expected Wages of Selected Non-market Economy Countries, 2001 Income Data," Revised September 2003, as published by the Department at *http://ia.ita.doc.gov/wages/01wages/01wages.html*.

Comment 3: Whether the Department Should Correct Surrogate Values for Inland Truck Freight and Brokerage and Handling

Yongjian argues that the surrogates that the Department used to value inland truck freight and brokerage and handling in the *Preliminary Determination* are based on stale and unreliable data. For this final determination, Yongjian urges the Department to use the data it submitted in calculating the surrogate values for inland truck freight and brokerage and handling. *See* Comments from Francis J. Sailer, Counsel for Shunde Yongjian Housewares Co., Ltd., to the Honorable Donald L. Evans, Secretary of Commerce, "Yongjian's Case Brief," dated April 29, 2004 (Yongjian's Case Brief), at 21 and 22.

Yongjian contends that, for the final determination, the Department should value inland truck freight using data from InFreight.com, rather than the 17 Indian freight company quotes, for shipping tapered roller bearings, from November 1999 that were used in the *Preliminary Determination*. Yongjian notes that the data from InFreight.com were originally used by the Department in the preliminary determination of *Carrier Bags from the PRC. See Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Polyethylene Retail Carrier Bags from the People's Republic of China*, 69 FR 3544, 3546 (January 26, 2004) (*Carrier Bags Prelim*).

Yongjian also notes that, in the *Preliminary Determination*, the Department relied on data derived from *Certain Stainless Steel Wire Rod from India: Final Results of Administrative Review and New Shipper Review*, 64 FR 856 (January 6, 1999) (*Indian Wire Rod*) to calculate surrogate values for brokerage and handling. The surrogate value from *Indian Wire Rod* is from 1997 and was obtained from an Indian broker. Yongjian asserts there are two reasons to reject these data in the final determination: (1) They are stale compared to alternative and nearly contemporaneous data; and (2) they are improper for use in this case since they are premised on a high value product. Therefore, Yongjian urges the Department to use the data it submitted, which the Department used in *Carrier Bags Prelim*, to value brokerage and handling in the final determination. *See* Yongjian's Case Brief, at 22.

Department's Position: We agree with Yongjian, in part.

With regard to inland truck freight, we agree with Yongjian that the Department

should calculate the surrogate value using data obtained from InFreight.com. According to the InFreight.com Web site, we note that "InFreight.com is a privately held Limited Liability Company," which provides "a vertical {business-to-business} portal that covers all the critical aspects of the Indian road transport industry* * *." *See http://InFreight.com/.* InFreight.com provides publicly available Indian truck freight rates as a flat fee for transportation between specified cities. Based on an InFreight.com data query, we were able to obtain Indian inland freight rates from/to six major Indian cities for the week of January 8, 2003. Because the POI is October 2002 to March 2003, we find InFreight.com data is contemporaneous with the POI whereas the 17 Indian freight company quotes from November 1999 are not. Furthermore, the inland truck freight surrogate value is used in our calculations to value the freight for many different raw material inputs, in addition to complete ironing boards. For this reason, we also find the truck freight surrogate value from InFreight.com, which is not limited to only a shipment of one product, to be the better surrogate value than the November 1999 Indian freight company quotes, which are only for shipments of tapered roller bearings. Therefore, for this final determination, the Department will rely on the data from InFreight.com to value inland freight. *See* "Yongjian's Margin Calculation Analysis for the Final Determination in the Antidumping Duty Investigation of Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated June 15, 2004.

With regard to brokerage and handling, we disagree with Yongjian that the Department should value brokerage and handling based on the surrogate value used in the *Carrier Bags Prelim.* In choosing the appropriate surrogate value for the final determination, we examined whether the surrogate data are both product-specific and contemporaneous. The surrogate value used for brokerage and handling in the *Preliminary Determination* is based on a 1997 brokerage and handling charge for a shipment of stainless steel wire rod. *See* Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, to the File, "Surrogate Country Factors of Production Values," dated January 26, 2004, at Exhibit 72, containing the original source documentation. In Yongjian's surrogate value submission, Yongjian suggests that the Department use the 1999–2000 surrogate value for brokerage and handling from the *Carrier Bags Prelim.* However, in its submission, Yongjian did not include a copy of its source documents that support its brokerage and handling value. Without source documents that substantiate the surrogate value advocated by Yongjian (*e.g.*, source documents that identify how the value was calculated and that confirm the reported units), we find the surrogate value used in the *Preliminary Determination* to be more reliable than Yongjian's suggested value. Furthermore, although Yongjian claims that the surrogate value used in the *Preliminary Determination* is inappropriate because it is based on brokerage and handling charges for a shipment of stainless steel wire rod, which is a high value product, Yongjian provided no evidence to demonstrate that the surrogate value is based on ad valorem charges. Therefore, we have continued to value brokerage and handling using brokerage and handling charges reported in *Indian Wire Rod.*

Comment 4: Whether the Department Should Modify Harmonized System Tariff Classifications for Certain Material Inputs

A. Muriate of Potash

For the *Preliminary Determination,* the Department valued muriate of potash using HS 2815.2000, the subheading for potassium hydroxide (caustic potash). The petitioner alleges that potash muriate is actually defined as potassium chloride. Therefore, the petitioner urges the Department to value muriate of potash using HS 2827.3909, the classification for other chlorides, not elsewhere specified.

In rebuttal, Since Hardware contends that there is no evidence on the record to support the view that potassium hydroxide (caustic potash) is not an appropriate surrogate for muriate of potash. Since Hardware states that although the Department did not specifically examine the type or grade of muriate of potash that it consumes in the ordinary course of business, it is reasonable to assume from the Department's overall verification findings that Since Hardware does consume muriate of potash, as reported. Therefore, the surrogate value used in the *Preliminary Determination* is a reasonable and accurate basis on which to value Since Hardware's consumption of muriate of potash for the final determination. *See* Rebuttal Comments from Adams C. Lee, Counsel to Since Hardware, to the Honorable Donald L. Evans, Secretary of Commerce, "Since Hardware's Rebuttal Brief," dated May 4, 2004 (Since Hardware's Rebuttal Brief), at 4–7.

Department's Position: We agree with Since Hardware. We find that HS 2815.2000, the subheading which covers potassium hydroxide (caustic potash), is more appropriate for Since Hardware's production process than the petitioner's suggested subheading HS 2827.3909, which covers other chlorides not elsewhere specified. Throughout this proceeding, Since Hardware has consistently reported HS 2815.2000 as the appropriate subheading to calculate the surrogate value for its input labeled muriate of potash. We find, via internet research, that one of the general uses of potassium hydroxide (caustic potash), which is covered under HS 2815.2000, is as a component of certain plating processes, which is consistent with Since Hardware's manufacturing process. *See* Memorandum from Paige Rivas to the File: "Surrogate Valuation Research" dated June 15, 2004 (Research Memo). On the other hand, the petitioner's suggestion of HS 2827.3909, other chlorides, not elsewhere specified, is not specific enough for the Department to make a similar finding with respect to the general uses of the products covered under that subheading. Therefore, we continue to find that HS 2815.2000 is the most appropriate classification to value the muriate of potash consumed by Since Hardware during the POI.

B. PE Septa

For the *Preliminary Determination,* the Department stated in the surrogate value memorandum that it used HS 3907.6000, which covers PE terephthalate (PET) in primary forms (limited to liquids and pastes, including dispersions and solutions, and blocks of irregular shape, lumps, powders, granules, flakes and similar bulk forms), to calculate the surrogate value for PE septa. The petitioner contends that PET in primary forms cannot serve as a septum or membrane. However, while the Department states that it used HS 3907.6000, the petitioner alleges that the Department based its calculations of the surrogate value for PE septa using data from HS 3920.1001, the classification for plastic sheets of PET. As such, the petitioner urges the Department to continue to value PE septa using HS 3920.1001, the subheading for sheets of PE, for the final determination. *See* Petitioner's Case Brief, at 14.

Since Hardware did not comment on this issue.

Department's Position: We agree with the petitioner. In the *Preliminary Determination,* we mistakenly stated in the narrative of the surrogate value memorandum that we used HS 3907.6000, which covers PET in primary forms, to calculate the surrogate value for PE septa. *See* Memorandum from Sam Zengotitabengoa to the File: "Surrogate Country Factors of Production Values in the Preliminary Determination of the Antidumping Duty Investigation on Floor-Standing, Metal-Top Ironing Tables and Certain Parts Thereof from the People's Republic of China," dated January 26, 2004 (Prelim Factors Memo). However, in Exhibit 25 of the Prelim Factors Memo, we actually used HS 3920.1001, which includes plates, sheets, film consisting of PET, to calculate the surrogate value for PE septa.

In considering which HS subheading is appropriate, we find that the definition of septa is a thin membrane or sheet. Therefore, it is not appropriate to value PE septa with HS 3907.6000, which covers PET in primary forms. Instead, the Department finds that HS 3920.1001, which covers other plates, sheets, film consisting of PET, is the appropriate surrogate value for PE septa. Therefore, for this final determination, we have continued to use HS 3920.1001 to value PE septa.

C. Stainless Steel

For the *Preliminary Determination,* the Department classified stainless steel using HS 7210.1202, the subheading for flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, clad, plated or coated, with tin, of a thickness of less than 0.5 mm (tin plated stainless steel). The petitioner argues that there is no evidence on the administrative record indicating that the stainless steel used by the respondents is tin plated. Therefore, the petitioner urges the Department to value stainless steel using HS 7220.1202, the subheading covering stainless steel in strips for making pipes and tubes. Alternatively, on the basis of material dimensions provided by Since Hardware and its chemical content, including nickel and chromium, the petitioner urges the Department to use the weighted average value for HS 7219.3401 and HS 7219.3402,

the subheadings covering flat-rolled products of stainless steel, of a width equal to or greater than 600 mm, cold-rolled, of a thickness equal to or greater than 0.5 mm but less than 1 mm. For the final determination, the petitioner urges the Department to revise the material input values according to the HS subheadings listed above. *See* Petitioner's Case Brief, at 14 and 15.

In rebuttal, Since Hardware contends that there is no evidence on the record to suggest that tin-plated stainless steel is not an appropriate surrogate for stainless steel. In fact, Since Hardware states that although the Department did not specifically examine the type or grade of stainless steel that Since Hardware consumes in the ordinary course of business, it is reasonable to assume from the Department's overall verification findings that Since Hardware consumes the type or grade of stainless steel that it reported, which is close or identical to the stainless steel covered by HS 7210.1202. For the final determination, Since Hardware stresses that the Department has no basis or justification for altering the *Preliminary Determination*'s surrogate value used to value Since Hardware's consumption of stainless steel. *See* Since Hardware's Rebuttal Brief, at 5 and 6.

Department's Position: We agree with the petitioner. A review of the record indicates that there is no evidence that Since Hardware's stainless steel input is plated. As a result, we find that a surrogate value calculated from HS 7219.34 better represents Since Hardware's stainless steel than subheading HS 7210.1202, which covers plated or coated material. Moreover, subheading HS 7219.34 covers flat-rolled products of stainless steel, which are comparable to the description in Exhibit 7 of the input materials being valued in Since Hardware submission, dated January 12, 2004 (the actual product description is business proprietary information). Because there is no evidence on the record of the specific nickel and chromium content of Since Hardware's stainless steel input, we have not used a weighted-average of HS 7219.3401 and HS 7219.3402, as suggested by the petitioner. Instead, we find that the broader HS 7219.34, which encompasses both HS 7219.3401 and HS 7219.3402, is more appropriate given the lack of information on the record concerning the chemical content of stainless steel. In addition, we have not used the petitioner's suggested stainless steel in strips subheading, HS 7220.1202, because it covers flat-rolled products of stainless steel of a width of less than 600 mm and does not match Since Hardware's product description of its stainless steel input. Therefore, for this final determination, we find that HS 7219.34 is appropriate to value the stainless steel consumed by Since Hardware during the POI.

D. Welding Wire

For the *Preliminary Determination*, the Department classified welding wire under HS 7408.1902, the subheading for copper wire. However, the petitioner alleges that there is no evidence on the record indicating that the welding wire used by Since Hardware is made of copper. The petitioner urges the Department to value welding wire using HS 8311.2000, the classification covering cored wire of base metal for electric arc welding. For the final determination, the petitioner urges the Department to revise the material input values according to the HS subheadings provided. *See* Petitioner's Case Brief, at 15 and 16.

In rebuttal, Since Hardware contends that there is no evidence on the record to suggest that welding wire of copper is not an appropriate surrogate for welding wire. In fact, Since Hardware states that although the Department did not specifically examine the type or grade of welding wire that Since Hardware consumes in the ordinary course of business, it is reasonable to assume from the Department's overall verification findings that Since Hardware consumes the type or grade of welding wire that it reported, which is close or identical to the welding wire covered by HS 7408.1902. As such, for the final determination, Since Hardware stresses that the Department has no basis or justification for altering the *Preliminary Determination's* surrogate value used to value Since Hardware's consumption of welding wire. *See* Since Hardware's Rebuttal Brief, at 6 and 7.

Department's Position: We agree with the petitioner. A review of the record indicates that there is no evidence that Since Hardware uses welding wire made of copper. In fact, Since Hardware indicates that the welding wire it uses is made out of a material other than copper. See Since Hardware's fourth supplemental questionnaire response, dated February 11, 2004, at Exhibit 2 (Since Hardware's Fourth Supplemental). Based on that information, we find that HS 8311.2000, the subheading for cored wire of base metal for electric arc welding, is more representative of Since Hardware's welding wire than HS 7408.1902, the subheading for copper wire. Therefore, for the final determination, we find that HS 8311.2000 is appropriate to value the welding wire consumed by Since Hardware during the POI.

E. Pigment

For the *Preliminary Determination*, the Department classified pigment under HS 3801.9000, the subheading for other graphite-based preparations. However, Since Hardware alleges that this subheading does not reflect the physical characteristics of the pigment that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 2803.0009, the subheading for carbon black, a form of pigment or dye used in common manufacturing applications, to value pigment in the final determination. *See* Since Hardware's Case Brief, at 3 and 4.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for the valuation of pigment are unwarranted. The petitioner notes that Since Hardware's submissions, dated December 17, 2003, and January 12, 2004, indicated that HS 3801.9000 is the classification applicable to Since Hardware's pigment. In addition, the petitioner states that Since Hardware's submission on surrogate values, dated March 29, 2004, was made subsequent to the *Preliminary Determination*. The petitioner notes that the data submitted by Since Hardware were not drawn from the period covered by the POI and were submitted with no explanation as to the material which Since Hardware considered them relevant.

Department's Position: We agree with Since Hardware. We find, via internet research, that the carbon black covered under subheading HS 2803.0009 is considered a common pigment. In addition, our internet research indicates that graphite, which is covered by subheading 3801.9000, can be used in paints and pigments but is not used for its color. Instead, graphite is typically used as lubrication to spread the pigment more quickly. *See* Research Memo. In Since Hardware's Fourth Supplemental, Exhibit 1, Since Hardware includes a description of its inputs that is more consistent with carbon black (the specific product description is business proprietary information). Therefore, for the final determination, we have used HS 2803.0009 to value pigment using Indian import statistics.

With respect to the petitioner's statement that Since Hardware's March 29, 2004, submission was made after the Department's *Preliminary Determination*, we note that Since Hardware's submission was timely and in accordance with the Department's regulations. According to section 351.301(c)(3)(i) of the Department's regulations, parties have until 40 days after the publication of the *Preliminary Determination* to submit publicly available information to value factors of production. Since Hardware's submission was within this 40 day time limit.

F. Silica Gel Parts

For the *Preliminary Determination*, the Department valued silica gel parts using HS 2811.2200, the subheading for silicon dioxide. However, Since Hardware alleges that this subheading does not reflect the physical characteristics of the silica gel parts that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 3824.9015 to value silica gel parts in the final determination. HS 3824.9015 is the subheading for mixed PE glycols, which Since Hardware alleges are chemicals commonly used in the production of rubber or plastic parts used in manufacturing and assembly operations. *See* Since Hardware's Case Brief, at 4.

The petitioner did not comment on this issue.

Department's Position: We agree with Since Hardware. We confirmed via internet research that silica gel, which is a form of silicon dioxide covered under HS 2811.2200, is commonly used as an absorbent. Mixed PE glycols, covered by HS 3824.9015, on the other hand, are materials that are used with plastic parts processing. *See* Research Memo. In fact, PE is specifically identified as a component of Since Hardware's plastic parts processing segment of its production process in the Production Flowchart in Since Hardware's section C and D questionnaire response at Exhibit 2, dated October 14, 2003

(Since Hardware's October 14, 2003, response). Therefore, for the final determination, the Department will use HS 3824.9015 to value Since Hardware's consumption of silica gel parts.

G. Cotton Thread

In the *Preliminary Determination* the Department valued cotton thread using HS 5204.1101, the subheading for cotton thread. Since Hardware claims that this subheading does not reflect the physical characteristics of the cotton thread that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 5204.2009, the subheading for other cotton sewing thread offered for retail sale, to value cotton in the final determination. *See* Since Hardware's Case Brief, at 4.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for cotton thread are lacking in merit. The petitioner states that the HS 5204.1101, the subheading used by the Department in the *Preliminary Determination* covers cotton sewing thread, containing 85 percent or more by weight of cotton, not offered for retail sale. The petitioner notes that the subheading advocated by Since Hardware as providing "a more appropriate basis" covers other cotton sewing thread offered for retail sale. The petitioner questions whether Since Hardware is acquiring its cotton thread in a configuration offered for retail sale, noting that the respondent has proffered no evidence to support such an improbable claim.

Department's Position: We agree with the petitioner. We find that HS 5204.1101 identifies cotton thread, containing 85 percent or more of cotton, not offered for retail sale, to be an appropriate subheading in calculating the surrogate value for cotton thread. Since Hardware's suggested subheading, HS 5204.2009, covers other cotton sewing thread offered for retail sale. Because Since Hardware is a manufacturing company that purchases cotton thread as one of many inputs used to produce ironing boards, it is reasonable to assume that it purchases cotton thread in bulk from a wholesaler, rather than purchasing this material at retail. In addition, Since Hardware has provided no evidence that its reported cotton thread input contains less than 85 percent by weight of cotton and does not state why HS 5204.2009, the subheading for other cotton sewing thread offered for retail sale, better reflects Since Hardware's cotton thread input. Therefore, for the final determination, we continue to find that HS 5204.1101 is the appropriate subheading to value Since Hardware's consumption of cotton thread.

H. Cotton Rope

For the *Preliminary Determination*, the Department classified cotton rope using HS 5604.9000, the subheading for other rubber thread and cord. However, Since Hardware alleges that this classification does not reflect the physical characteristics of the cotton rope that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 5607.9002, the subheading for cordage, cable ropes, and twine of cotton, to value cotton rope in the final determination. See Since Hardware's Case Brief, at 5.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for cotton rope are unwarranted. The petitioner notes that Since Hardware's submissions, dated December 17, 2003, and January 12, 2004, indicated that HS 5604.9000 is the subheading applicable to Since Hardware's cotton rope. This is the subheading that the Department applied in its *Preliminary Determination*. In addition, the petitioner states that Since Hardware's March 29, 2004, submission, was made subsequent to the *Preliminary Determination*. Furthermore, the petitioner notes that the data submitted by Since Hardware were not drawn from the period covered by the POI and were submitted with no explanation as to the material which Since Hardware considered them relevant.

Department's Position: We agree with Since Hardware. The subheading HS 5604.9000 that the Department used in the *Preliminary Determination* covers rubber thread and cord, textile covered; textile yarn and strip and the like of headings 5404 and 5405 (which cover man-made materials), impregnated, coated, covered or sheathed with rubber or plastics. The materials under this subheading appear to be predominantly man-made. Item number HS 5607.9002, which covers cordage, cable ropes, and twine of cotton, includes materials more similar to the material reported by Since Hardware. As a result, we find that HS 5607.9002 is appropriate for the valuation of cotton rope in this final determination. For the timing of Since Hardware's submission, see the Department's Position under comment 4-E.

I. Zinc Galvanized Iron Clips

For the *Preliminary Determination*, the Department valued zinc galvanized iron clips using HS 7318.2400, the subheading for non-threaded cotters and cotter pins. However, Since Hardware alleges that this classification does not reflect the physical characteristics of the zinc galvanized iron clips that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 7210.4900, the subheading for other products of iron/non-alloy steel otherwise plated/coated with zinc, to value zinc galvanized iron clips in the final determination. *See* Since Hardware's Case Brief, at 5.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for galvanized iron clips are unwarranted. The petitioner notes that Since Hardware's submissions, dated December 17, 2003, and January 12, 2004, indicated that HS 7318.2400 is the subheading applicable to Since Hardware's zinc galvanized iron clips. In addition, the petitioner states that Since Hardware's March 29, 2004, submission was made subsequent to the *Preliminary Determination*. Furthermore, the petitioner notes that the data submitted by Since Hardware were not drawn from a period covered by the POI and were submitted with no explanation as to the material which Since Hardware considered them relevant. The petitioner also states that in its January 15, 2004, submission, it provided explanatory information on "circlips," which might describe the galvanized iron clips used by Since Hardware.

Department's Position: We agree with the petitioner. We find that Since Hardware's surrogate value suggestion on HS 7210.4900 is not appropriate to value zinc galvanized iron clips because subheading HS 7210 refers to flat rolled steel products of iron or nonalloy steel, of a width of 600 mm or more, clad, plated, or coated. There is no indication that this subheading refers to any type of clip, or any article employed in a clip-like application, similar to that used in the production of ironing boards. In fact, the width of 600 mm or more indicates that it is not used in an application similar to a clip, but is much larger in size. HS subheading 7318.2400 is a more appropriate surrogate for zinc galvanized iron clips for the following reasons: (1) HS subheading 73 is the subheading for articles of iron or steel, some plated and coated (a zinc galvanized iron clip is an article of iron); and (2) HS subheading 7318 refers to screws, nuts, bolts, coach screws, screw hooks, rivets, cotters, cotter pins, washers, and similar articles of iron and steel. Although zinc galvanized clips are not specifically mentioned, the above-listed items perform functions similar to the function a clip performs, or at least are more similar than a flat-rolled iron sheet. Therefore, the Department continues to value zinc galvanized iron clips using HS 7318.2400. For the timing of Since Hardware's submission, see the Department's Position under comment 4–E.

J. Glue

For the *Preliminary Determination*, the Department valued glue using subheading HS 3214.1000, the subheading for glaziers putty, grafting putty, resin cements, and caulking. Since Hardware alleges that this subheading does not reflect the physical characteristics of the glue that Since Hardware consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use HS 3505.2000, the subheading for glues to value glue in the final determination. *See* Since Hardware's Case Brief, at 5.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for glue are unwarranted. The petitioner notes that Since Hardware's submissions, dated December 17, 2003, and January 12, 2004, indicated that HS 3214.1000 is the classification applicable to Since Hardware's glue. This is the classification that the Department applied in its *Preliminary Determination*. In addition, the petitioner states that Since Hardware's March 29, 2004, submission was made subsequent to the *Preliminary Determination*. Furthermore, the petitioner notes that the data submitted by Since Hardware were not drawn from the period covered by the POI and were submitted with no explanation as to the material which Since Hardware considered them relevant.

Department's Position: We agree with Since Hardware. Upon further review of the HS subheadings, we find that the subheading

initially suggested by the respondent, HS 3214.1000, does not include glue or glue-like materials. The HS subheading suggested by Since Hardware in its last surrogate value submission, HS 3505.2000, however, does cover glue. Therefore, for the final determination, we find that subheading HS 3505.2000 is appropriate for calculating a surrogate value for glue. For the timing of Since Hardware's submission, see the Department's Position under comment 4–E.

K. Cotton Fixing Strips

For the *Preliminary Determination,* the Department classified cotton fixing strips using HS 5604.9000, the subheading for other rubber thread and cord. Since Hardware alleges that this subheading does not reflect the physical characteristics of the cotton fixing strips that it consumes in the ordinary course of business. Instead, Since Hardware urges the Department to use for the final determination its market-economy purchase price for cotton fabric or, alternatively, the surrogate value that the Department used in the *Preliminary Determination* to value Yongjian's consumption of cloth strip, HS 5208.1901. Since Hardware argues that Yongjian's cloth strip is an input that is presumably identical to cotton fixing strips. *See* Since Hardware's Case Brief, at 6.

The petitioner claims that Since Hardware's criticisms of the Department's choice of HS subheading for cotton fixing strips are unwarranted. The petitioner notes that Since Hardware's submissions, dated December 17, 2003, and January 12, 2004, indicated that HS 5604.9000 is the subheading applicable to Since Hardware's cotton fixing strips. In addition, the petitioner states that Since Hardware's March 29, 2004, submission was made subsequent to the *Preliminary Determination.* Furthermore, the petitioner notes that the data submitted by Since Hardware were not drawn from the period covered by the POI and were submitted with no explanation as to the material which Since Hardware considered them relevant.

Department's Position: We agree with Since Hardware, in part. Regarding Since Hardware's assertion that the Department should value cotton fixing strips with its reported market economy price of cotton fabric, Since Hardware does not claim that it uses the cotton fabric it purchases from a market economy supplier as cotton fixing strips. In fact, Since Hardware reports cotton fabric as a separate material input altogether. *See* Since Hardware's Fourth Supplemental at Exhibit 1. Therefore, we have not valued cotton fixing strips with the market economy price it reported for cloth fabric.

However, with respect to Since Hardware's argument that we should value cotton fixing strips using HS 5208.1901, we agree. In the *Preliminary Determination,* the Department valued Since Hardware's cotton fixing strips using HS 5604.9000, which covers rubber thread and cord, textile covered; textile yarn and strip and the like of heading 5404 and 5405 (which cover man-made materials), impregnated, coated, covered or sheathed with rubber or plastics. The materials under this subheading are predominantly man-made. The name of the material input, cotton fixing strips, indicates that it is a strip made out of cotton. Item number HS 5208.1901 covers other fabrics of woven fabrics containing 85% or more by weight of cotton. As a result, we find that HS 5208.1901 is appropriate for the valuation of cotton fixing strips in this final determination. For the timing of Since Hardware's submission, see the Department's Position under comment 4–E.

Comment 5: Whether the Department Used the Best Available Data Source To Value Certain Material Inputs

Yongjian notes that the Department relied on the Government of India, Ministry of Commerce & Industry, Director General, Commercial Intelligence and Statistics data, published in the WTA, to calculate the values for hot-rolled steel, and cold-rolled steel. As an alternative, Yongjian submitted various data taken from InfodriveIndia.com that, according to Yongjian, reports official Indian government import statistics on an entry by entry basis. *See* Yongjian's Surrogate Value Submission, dated March 29, 2004. Yongijian states that the Department in other proceedings used certain data derived from InfodriveIndia.com. *See, e.g.,* Memorandum from the Team to the File, "Certain Color Television Receivers from the People's Republic of China: Preliminary Determination Factors Valuation Memorandum," dated November 21, 2003. Therefore, for the final determination, Yongjian urges the Department to use the data it submitted from InfodriveIndia.com to calculate surrogate values for certain material inputs. *See* Yongjian's Case Brief, at 2, 3, and 8.

The petitioner argues that Yongjian's position lacks merit and should be dismissed by the Department. The petitioner notes that Yongjian is the only party in this proceeding raising an objection to the Indian import statistics. The petitioner claims that the Department should continue to value Yongjian's material inputs on the basis of WTA data (also referred to as Indian import statistics). In addition, the petitioner states the only assistance that Yongjian offered the Department with respect to the surrogate valuation of inputs consisted of data based exclusively upon India's official import statistics. The petitioner argues that the values utilized by the Department in the *Preliminary Determination* have been available to Yongjian throughout this proceeding and yet the respondent offered no rebuttal to the petitioner's surrogate valuation submission dated October 24, 2003, nor did Yongjian submit any comment at any time in opposition to the WTA data.

In addition, the petitioner argues that Yongjian provides no valid basis for a departure from surrogate valuation on the basis of WTA data. The petitioner states that the Department has previously used Indian import statistics published by the WTA for surrogate valuation purposes in numerous nonmarket economy (NME) cases. The petitioner argues that Yongjian provides no data that are superior in reliability, nor does it provide any data that are usable as benchmarks, which can be used to judge the WTA data. The petitioner claims that the WTA figures are official government statistics maintained by the Government of India, they are matched exactly to the POI, and are based upon commodity descriptions detailed to an 8-digit level of specificity. In addition, the petitioner states that the WTA data are demonstrably internally consistent in terms of economic and commercial logic. According to the petitioner, the Department should continue to use the WTA data to value all of Yongjian's material inputs because the Indian import statistics meet the Department's criteria of availability, contemporaneity, specificity and reliability.

The petitioner claims that Yongjian fails to demonstrate that the surrogate values based upon the Indian import statistics used by the Department are aberrant or unreliable. On the contrary, the petitioner argues that the data relied upon by Yongjian are inapposite or unreliable. The petitioner argues that Yongjian's comparison sources for cold-rolled steel, InfodriveIndia.com is an unofficial and non-governmental source and has been used only once for the surrogate valuation of inputs. The petitioner further states that, in that case, the Department states that its preferred source of surrogate value data continues to be the WTA data because it represents the best information available, but the Department would not be precluded from turning to InfodriveIndia.com data where the Indian import classification categories "are overly broad." Concerning specificity, the petitioner argues that the HS categories are extremely precise with respect to the inputs at issue in this case.

The petitioner argues that InfodriveIndia.com information submitted by Yongjian is not drawn from Indian customs entry forms but from commodity descriptions appearing on bills of lading and/or vessel manifests. The petitioner claims that these descriptions reflect exporter subjectivity and the HS classifications associated with them would be subject to no official verification and thus are inherently unreliable. For example, the petitioner points out that the InfodriveIndia.com printout identifies the "Foreign Country" only intermittently. According to the petitioner, Yongjian tells us that it is able to identify shipments that would be excluded as sourced from NME or export-subsidy countries on the basis of the name of the exporter. The petitioner adds that the Department may question whether such an approach is reliable or sustainable, or whether it may be subject to inconsistency.

The petitioner contends that each of the values selected or concocted by Yongjian for purposes of demonstrating that the value used by the Department may be aberrant is: (1) Inapposite with respect to the input at issue (with respect to the input-specific value that Yongjian seeks to challenge), (2) inappropriate for the purposes of valuation, (3) unreliable or patently inaccurate, or (4) so generic as to have no utility in an input-specific context.

Department's Position: We agree with the petitioner. In the *Preliminary Determination,* in accordance with past practice, we utilized WTA data (more specifically, Indian import statistics) in order to calculate surrogate values for many of Yongjian's material

inputs. In selecting the best available information for valuing factors of production, in accordance with section 773(c)(1) of the Tariff Act of 1930, as amended (the Act), we selected values which are: (1) Non-export average values; (2) most contemporaneous with the POI; (3) product-specific; and (4) tax-exclusive. *See Manganese Metal From the People's Republic of China; Final Results and Partial Rescission of Antidumping Duty Administrative Review*, 63 FR 12441, 12442 (Mar. 13, 1998). While we recognize that both Indian import statistics and InfodriveIndia.com: (1) Represents import data; (2) are contemporaneous with the POI; (3) are product-specific; and (4) are tax exclusive, we find that Indian import statistics represent the best available information in this case.

With regard to Yongjian's assertion that the Department has used InfodriveIndia.com in previous cases, we note that the Department has used this source only once in a final determination. *See Notice of Final Determination of Sales at Less Than Fair Value and Negative Final Determination of Critical Circumstances: Certain Color Television Receivers From the People's Republic of China*, 69 FR 20594 (April 16, 2004) (*CTVs from the PRC*). For the inputs valued using InfodriveIndia.com, we used this source because it provided the most product-specific information available and not because Indian import statistics were aberrational or unreliable. In addition, we clearly stated in this case our preference for Indian import statistics over InfodriveIndia.com except in instances where the HS categories are overly broad. *See CTV's from the PRC*, Issues and Decision Memorandum at Comment 9. In the current proceeding, there is no evidence on the record that the HS subheadings used by the Department to calculate surrogate values for cold-rolled steel coil and hot-rolled steel coil are overly broad.

Regarding Yongjian's argument that the HS subheadings used to value its steel inputs are too broad, we note that there is no evidence on the record of this investigation to support that contention. With respect to cold-rolled steel, in its October 15, 2003, section D questionnaire response, Yongjian states that it uses cold-rolled steel sheet with a thickness of 0.8 millimeters and cold-rolled steel sheet with a thickness of 1 mm to form meshes. In its case brief, Yongjian claims that HS 7209.1700 is too broad. HS 7209.1700 covers flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, cold-rolled, (cold-reduced), not clad, plated or coiled; in coils, not further worked than cold-rolled (cold-reduced) of a thickness of 0.5 or more but not exceeding 1 mm. This description matches the cold-rolled steel characteristics of the material input that Yongjian reported in its questionnaire responses.

With respect to hot-rolled steel, in its October 15, 2003, section D questionnaire response, Yongjian states that it uses hot-rolled steel with a thickness ranging from 0.6 millimeters to 2.5 millimeters. In its case brief, Yongjian claims that HS 7208.3900, used in the *Preliminary Determination*, is too broad. HS 7208.3900 covers flat-rolled products of iron or non-alloy steel, of a width of 600 mm or more, hot-rolled, not clad, plated or coiled; in coils, of a thickness less than 3 mm. This description matches the hot-rolled steel characteristics reported of the material input that Yongjian reported in its questionnaire responses.

As a result of verification, we found that Yongjian used cold-rolled steel coil and hot-rolled steel coil instead of the cold-rolled and hot-rolled steel sheet it reported in its section D questionnaire responses. Therefore, for the final determination, we have valued Yongjian's cold-rolled steel coil using HS 7209.1700 and hot-rolled coil using HS 7208.3900. For additional discussion of this issue, *see* Comments 7 and 12.

Although Yongjian states that the Department relied on data that "clearly included further processed products from those used in Yongjian's production * * *" to calculate its surrogate value for cold-rolled steel coil and hot-rolled steel coil, Yongjian provided no information to indicate why it considered certain materials listed in InfodriveIndia.com to be inappropriate for comparison to the above-listed steel inputs. For example, for cold-rolled steel coil, Yongjian suggests that automotive steel blanks are not comparable to the steel coil used in ironing table production but does not justify that assertion with evidence or facts. *See* Yongjian's Case Brief at 24. With respect to hot-rolled steel coil, Yongjian generally states that much of the materials imported under HS 7208.3900, which the Department used to value hot-rolled steel coil in the final determination, is of a semi-finished or otherwise processed material. However, Yongjian fails to state in its case brief which specific materials are semi-finished and otherwise processed material and does not cite any evidence in support of its claim. In addition, even if semi-finished or otherwise processed materials are included in HS 7208.3900, Yongjian fails to demonstrate why such materials do not reflect the same steel used in Yongjian's production of ironing tables. The Department prefers to use surrogate values that are representative of a range of prices in effect during the period under consideration. Thus, using only a portion of the imports under HS 7209.1700 and HS 7208.3900 to calculate the surrogate values for cold-rolled and hot-rolled steel, respectively, without evidence to support this approach, is inconsistent with the criteria the Department uses to select surrogate values.

As a result, the Department does not find that the HS subheadings used in the final determination are overly broad and continues to rely on WTA to calculate surrogate values for cold-rolled and hot-rolled steel coil.

Comment 6: Whether the Department's Used Aberrant Surrogate Values for Certain Material Inputs

Yongjian contends that it is Department practice that unreasonable and aberrational surrogate values will not be used in the calculation of normal value. *See Refined Antimony Trioxide from the PRC: Final Determination of Sales at Less Than Fair Value*, 57 FR 6801, 6803 (February 28, 1992). Yongjian argues that although the Department stated that "the surrogate values employed in the valuation of the factors of production were selected because of their quality, specificity, and contemporaneity" (*See Preliminary Determination*, at 5131), the record evidence demonstrates the aberrant nature of the surrogate values used in the *Preliminary Determination*. *See* Yongjian's Case Brief, at 3–5.

A. Cold-Rolled Steel

For the *Preliminary Determination*, the Department relied upon WTA data to calculate the surrogate value for cold-rolled steel sheet. As discussed above, Yongjian asserts that the InfodriveIndia.com data demonstrate that the majority of cold-rolled steel imported under HS 7209.1700 is a semi-finished or otherwise processed material that does not reflect the input used in the production of ironing boards. Therefore, Yongjian contends that the Department's *Preliminary Determination* surrogate value of cold-rolled steel sheet is based on aberrant data as compared with Yongjian's surrogate value filing of InfodriveIndia.com for cold-rolled steel coil, Since Hardware's market value of cold-rolled steel coil, CRU Monitor export prices of cold-rolled steel coil, and the American Metal Market (AMM) price for cold-rolled steel coil. See Yongjian's Case Brief, at 9 and 10. In addition, Yongjian contends, in a footnote, that the surrogate value for cold-rolled steel used by the Department in the *Preliminary Determination* for Since Hardware also yields an aberrant value.

The petitioner argues that it is not aberrational but entirely logical and predictable that cold-rolled steel coil would carry a lower average value than steel that has been subjected to a capital-intensive slitting process, like cold-rolled steel sheet. The petitioner also notes that a comparison to Since Hardware's claimed market economy purchases reflects an apple to oranges approach because Since Hardware's inputs are vastly different from Yongjian's inputs. With respect to Yongjian's AMM prices, the petitioner argues that the sources provide no meaningful specificity whatsoever with respect to the commodity addressed in relation to the input valued by the Department and notes that Yonjian acknowledges the lack of utility these prices have for valuation purposes. In addition, the petitioner notes that the AMM does not disclose the quantities upon which the reported average prices are based, which makes it impossible to assess the breadth of the data sample.

Department's Position: We agree with the petitioner. Consistent with the material reported in Yongjian's questionnaire responses, the Department used HS 7211.2300, or cold-rolled steel sheet, to calculate a surrogate value for Yongjian's cold-rolled steel inputs in the *Preliminary Determination*. In its case brief, Yongjian compares the cold-rolled sheet surrogate value to data using the prices of cold-rolled coil, which is either listed as HS 7209.1700 or labeled cold-rolled steel coil to demonstrate that the sheet prices are aberrational. However, as discussed above, the Department found at verification that

Yongjian actually used cold-rolled coil in its production process instead of the cold-rolled sheet it previously reported. *See* Yongjian's sections C and D questionnaire response dated October 15, 2003. *See also*, Comment 11.

Consequently, for the final determination, we valued Yongjian's cold-rolled steel input based on HS 7209.1700. The appropriate HS subheading for cold-rolled steel coil is HS 7209.1700, and discussed in Comment 5, we do not believe this HS subheading is overly broad. However, we have re-examined the surrogate value data on the record of this investigation for this HS subheading in order to determine whether any of the data falling under this HS subheading are, in fact, aberrational.

Based on this examination, we have excluded from our calculations certain imports under this HS subheading which we determined were aberrationally high in relation to the other Indian import data contained in this HS subheading. *See* the June 15, 2004, memorandum to the File from Sam Zengotitabengoa entitled, "Final Determination Factors Valuation Memorandum" (Final Factors Memo). Therefore, with these adjustments, for the final determination, we have continued to use HS 7209.1700 to value cold-rolled steel coil.

B. Hot-Rolled Steel

For the *Preliminary Determination*, the Department relied on WTA data to calculate the surrogate value for hot-rolled steel. As discussed above, Yongjian asserts that the InfodriveIndia.com data demonstrate that the majority of hot-rolled steel imported under HS 7208.3900 is a semi-finished or otherwise processed material that does not reflect the input used in the production of ironing boards. As such, Yongjian contends that the Department's *Preliminary Determination* valuation of hot-rolled steel is based on aberrant data as compared with Yongjian's surrogate value filing of InfodriveIndia.com, Since Hardware's market economy prices of hot-rolled steel coil purchases, Essar Steel home market price of hot-rolled steel coil, CRU export prices, and AMM price. *See* Yongjian's Case Brief, at 11 and 12.

The petitioner states that Yongjian's comparison of hot-rolled steel values is faulty. The petitioner argues that Yongjian's summary of a database submitted in another case by a single respondent (Essar Steel) selected by Yongjian, providing only ranged price and quantity data for a sampling of home market sales in a non-contemporaneous period and for a product of undisclosed description or specification cannot be taken seriously. In addition, the petitioner states that Since Hardware's claimed market economy purchase prices do not relate to Yongjian's input; therefore they would not be appropriate for use in valuing Yongjian's inputs, while other suitable surrogate value information is available. In this instance, the petitioner continues, the Since Hardware value detracts directly from Yongjian's assertion that its comparison values represent "export pricing that would have been available to Indian and Chinese importers." The petitioner notes that, if this were the case, and Yongjian's values had validity, one would expect that Since Hardware would have purchased at the InfodriveIndia price rather than at a higher cost.

Department's Position: We agree with the petitioner. Consistent with the material reported in Yongjian's questionnaire responses, the Department used HS 7211.1900, the subheading for hot-rolled steel sheet, to calculate a surrogate value for Yongjian's hot-rolled steel inputs in the *Preliminary Determination*. In its case brief, Yongjian compares the hot-rolled steel sheet surrogate value to data based on prices of hot-rolled steel coil, which is either listed as HS 7208.3900 or labeled hot-rolled steel coil to demonstrate that the sheet prices were aberrational. However, as discussed above, the Department found at verification that Yongjian actually used hot-rolled steel coil in its production process instead of the hot-rolled steel sheet it previously reported. *See* Yongjian's sections C and D questionnaire response dated October 15, 2003. *See also*, Comment 11.

Because the Department is using a surrogate value for hot-rolled steel coil in the final determination, we examined imports under the HS subheading to determine if any imports under this category were aberrational. We also examined whether the Department's surrogate value for hot-rolled steel coil, is aberrational as compared to Yongjian's alternative pricing data contained in its case brief. We find that the surrogate value used in final determination is not aberrationally high. For the final determination, we have calculated a surrogate value for hot-rolled coil of $.28/kg. In comparing the surrogate value calculated by the Department to the range of prices contained in Yongjian's case brief ($0.28/kg to $0.35/kg), we find that the Department's surrogate value for hot-rolled steel coil is appropriate for the final determination.

C. Steel Wire Rod

For the *Preliminary Determination*, the Department relied on WTA data to calculate the surrogate value for steel wire.[1] Yongjian contends that the valuation of steel wire is based on aberrant data as compared with the steel wire rod prices from InfodriveIndia.com, Since Hardware's market economy purchase price, P.T. Ispat Indo's home market price, and AMM prices. *See* Yongjian's Case Brief, at 12–14.

With respect to wire rod, the petitioner claims that Yongjian's comparison is not reliable because Since Hardware's claimed market economy purchase price of steel wire rod was at a price higher than Yongjian's comparison prices from InfodriveIndia.com and AMM prices. The petitioner contends that if such low prices of steel wire rod were available, Since Hardware would have purchased steel wire rod at that price. The petitioner also states that the comparison is not meaningful because the material used by Yongjian is substantially different from Since Hardware's steel wire rod input. In addition, the petitioner claims that Yongjian's use of another case, in which Yongjian summarized the public version of another respondent's home market database, to compare to the Department's surrogate value for steel wire rod in this investigation, is unacceptable because it abandons contemporaneity and involves products of undisclosed description and specification.

Department's Position: We disagree with Yongjian and the petitioner. Consistent with the material reported in Yongjian's questionnaire responses, the Department used HS 7217.1001, the subheading for steel wire, to calculate a surrogate value for Yongjian's steel wire inputs in the *Preliminary Determination*. In its case brief, Yongjian compares the steel wire surrogate value to data using prices of steel wire rod, which is either listed as HS 7217.1001 or labeled steel wire rod to demonstrate that the sheet prices are aberrational. However, as discussed above, the Department found at verification that Yongjian actually used steel wire rod in its production process instead of the steel wire it previously reported. *See* Yongjian's sections C and D questionnaire response dated October 15, 2003. *See also* Comment 11.

Because the Department is using a surrogate value for steel wire rod in the final determination, we examined imports under the HS subheading to determine if any imports under this category were aberrational. Therefore, for the final determination, we have calculated a surrogate value for steel wire rod based on HS 7213.9109.

D. Circular Pipe and Tube and Non-Circular (Rectangular) Pipe and Tube

For the *Preliminary Determination*, the Department relied on WTA data to calculate the surrogate value for circular and non-circular (rectangular) cross-section pipe and tube. Yongjian contends that the Department's valuation of circular and non-circular (rectangular) pipe and tube in the *Preliminary Determination* is based on aberrant data compared with net prices contained in the home market databases for four companies that were respondents in U.S. antidumping duty proceedings involving certain types of pipe and tube from Mexico, Turkey, Thailand, and Taiwan. For circular pipe and tube, Yongjian used prices from the publicly ranged home market databases for two companies, Saha Thai from Thailand, and Yieh Hsing from Taiwan. For non-circular pipe and tube, Yongjian used prices from the publicly ranged home market databases from a Mexican company, Regiomontana, and a Turkish company, MMZ. *See* Yongjian's Case Brief, at 14 and 15. Although Yongjian provided the Department with pricing information as a benchmark, it did not suggest which surrogate value to use.

The petitioner argues that Yongjian relies solely upon summarized, sampled data from selected respondents in other antidumping cases. The petitioner also claims that the data obtained from these other cases are not contemporaneous with the POI, and are from markets having no economic comparability to

[1] We note that Yongjian reported steel wire in its section D questionnaire responses. However, at verification, we found that Yongjian consumed steel wire rod. For the final determination, we are valuing this input as steel wire rod.

the PRC. In addition, the petitioner asserts that Yongjian fails to explain how the respondents' production in these antidumping cases involves merchandise comparable to the material inputs for ironing tables.

Department's Position: We agree with the petitioner. For both of these material inputs, we find that the WTA data used in the *Preliminary Determination* are reasonable to use in the final determination for the following reasons: (1) There is no evidence on the record that the merchandise in the other antidumping cases cited in Yongjian's case brief are more similar to the material inputs used in this investigation by Yongjian; (2) gross prices are more appropriate for comparison to Indian import statistics, not net prices; and (3) the other respondents' data are not contemporaneous to the POI.. We note that neither the respondents in this case nor the petitioner is arguing the Department used incorrect HS subheadings in the *Preliminary Determination* and we have no evidence on the record that indicates that HS 7306.300 (circular pipe and tube) or HS 7306.6000 (non-circular pipe and tube) are overly broad or otherwise inappropriate subheadings for these material inputs. In addition we examined imports under the HS subheading to determine if any imports under these categories were aberrational and we do not find that the information contained in these HS subheadings are aberrational. Since the HS is not overly broad and the Indian import statistics are not aberrant, we continue to find that the WTA data represent the best available information for calculating surrogate values for circular and non-circular pipe and tube for the final determination.

E. Powder Coating

For the *Preliminary Determination,* the Department used WTA data for HS 3208.1009 to calculate the surrogate value for powder coating, the subheading for paints and varnishes (including enamels and laquers), based on polyesters. However, Yongjian alleges that this classification does not reflect the physical characteristics of the powder coating that it uses to produce subject merchandise. Instead, Yongjian asserts that the Department verified that the powder coating used by Yongjian is not in liquid form, like standard paint or varnish, but rather is in the form of a dry powder, and the powder coating is not solely based on polyesters, but rather on a 1:1 mixture of polyester and epoxy resins. As such, for the final determination, Yongjian urges the Department to use HS 3907.3001 and HS 3907.9102 to value powder coating.

The petitioner states that it agrees with Yongjian that Indian import statistics should be used to value powder coating but questions why the respondent provided import data covering the whole year rather than the POI. The petitioner argues that, in view of the respondent's failure to provide data contemporaneous to the POI, the Department should value powder coating as it did in the *Preliminary Determination* as the best information available.

Department's Position: We agree with Yongjian. During verification, we found that the powder coating Yongjian uses is a dry mixture of polyester and epoxy resins. We are using HS 3907.3001, the subheading for epoxide resins, and HS 3907.9102, the subheading for polyester resins, to calculate a surrogate value for powder coating. However, we find that it is not appropriate to calculate the surrogate value for this material input based on a full year's data, as suggested by Yongjian. Therefore, we have valued powder coating with surrogate values using data for the POI based on HS 3907.3001 and HS 3907.9102 for the purposes of the final determination. *See* Comment 11.

F. Cardboard Cartons

For the *Preliminary Determination,* the Department relied on Indian import statistics for HS 4819.1009 to calculate the surrogate value for cardboard cartons. Yongjian contends that this value is aberrant compared with a domestic Indian price quote from Aakritee Packaging, which was cited in the *Carrier Bags Prelim,* and Since Hardware's market economy purchase price for cardboard cartons.

Yongjian claims that the Department has expressed a preference for the use of domestic prices from the surrogate country rather than import values. *See, e.g., Pure Magnesium from the People's Republic of China: Final Results of Antidumping Duty New Shipper Administrative Review,* 63 FR 3085, 3087 (January 21, 1998) (*Pure Magnesium*). Moreover, Yongjian contends that the Department has rejected Indian import statistics in favor of domestic prices based on the relative specificity of the data to the input being valued. *See Certain Non-Frozen Apple Juice Concentrate from the People's Republic of China: Final Results of 1999–2001 Administrative Review and Rescission of Review,* 67 FR 68987 (November 14, 2002), Issues and Decision Memo at Comment 1. Therefore, Yongjian argues that where the Department has the choice between domestic and import prices, it should select the price derived from the source that is more reliable and product-specific. *See* Yongjian's Case Brief, at 18–20.

The petitioner argues that there is nothing to indicate error in the Department's valuation of this input. The petitioner contends that the data sources that are used by Yongjian confirm that the Indian import statistics are to be relied upon more heavily than domestic price quotations. In this instance, according to the petitioner, because the dimensions of the cardboard cartons are not appropriate for a product similar to ironing boards, the domestic sales price quote proposed by Yongjian could not have applied to an input of the same size that is used by Yongjian. Therefore, the Department should retain the surrogate value for cardboard cartons that it used for the *Preliminary Determination.* The petitioner states that Yongjian offers no valid reason to change the surrogate value and the Department should retain the surrogate value it employed for purposes of the *Preliminary Determination.*

Department's Position: We agree with the petitioner. In the *Preliminary Determination,* we used HS 4909.1009, the subheading for cartons, boxes and cases of corrugated paper or paperboard, to calculate a surrogate value of cardboard cartons. There is no information on the record of this investigation that indicates that the domestic price from Aakritee Packaging[2] is more reliable and specific to the product being valued than the surrogate value calculated using Indian import statistics. We acknowledge the fact that the Department may have in a particular case expressed a preference for domestic prices instead of Indian import statistics. However, this is a case-by-case determination. In *Pure Magnesium,* for example, the domestic prices that were selected were more representative and closer in time to the period of review than other sources. *See Pure Magnesium.* In this case, Yongjian does not provide any evidence that the cardboard cartons sold by Aarkritee Packing are the same or more similar to the type of cardboard carton used by ironing board manufacturers than the cartons imported under HS 4909.1009. Therefore, we have continued to use the Indian import statistics in the final determination.

G. Filler Pads

For the *Preliminary Determination,* the Department calculated the surrogate value for filler pads using Indian import statistics for HS 4808.1000, which covers corrugated paper and paperboard, whether or not perforated. Yongjian contends that the Department's *Preliminary Determination* valuation of filler pads is based on aberrant data as compared with Yongjian's surrogate value derived from Indian import statistics under HS 4805.2901, which covered cardboard and was used in the *Carrier Bags Prelim.* Yongjian claims that the surrogate value calculated for HS 4805.2901 is corroborated by Since Hardware's market economy purchase price of corrugated paper. *See* Yongjian's Case Brief, at 20.

The petitioner states that Yongjian offers no support for its claim that the filler pads are specific or even similar to the specific input that Since Hardware uses. Moreover, the petitioner argues that Yonjian selected the lower value, without justification, of the two HS subheadings used to value filler pads in the *Carrier Bags Prelim.* The petitioner states that Yongjian offers no valid reason to change this surrogate value and the Department should continue the surrogate value treatment it employed for purposes of the *Preliminary Determination.*

Department's Position: We agree with the petitioner. Nowhere on the record of this investigation has Yongjian stated that the filler pads it used during the POI are similar to the separating corrugated paper reported by Since Hardware or the products covered under HS 4805.2901, which the Department used in *Carrier Bags from China* to value cardboard inserts as cited in Yongjian's March 29, 2004, submission. Yongjian classifies filler pads as a part of its packing materials but does not fully explain their use. HS 4808.1000, which covers corrugated paper and paperboard, whether or not

[2] Furthermore, we note that the Department did not use the domestic price of Aakritee Packaging in the *Carrier Bags Prelim.* Instead, the Department used a weighted-average of HS subheadings 4919.1001 and 4819.1009.

perforated and HS 4805.2901, which covers cardboard, are two distinct products and there is no evidence on the record that indicates it is appropriate to compare the two products to determine if the price of one is aberrational. We note that Yongjian has not argued that the HS subheading that the Department used in the *Preliminary Determination* is inappropriate to calculate a surrogate value for filler pads. We have examined imports under the HS subheading to determine if any imports under this category were aberrational and found that they were not. Therefore, for the final determination, we have continued to use HS subheading 4808.1000 to calculate a surrogate value for filler pads.

H. Labels and Bar Code Labels

For the *Preliminary Determination*, the Department relied on the Indian import statistics for HS 4821.9000, which covers paper labels (not printed), self-adhesive or not, to calculate the surrogate value for labels and bar code labels. However, Yongjian contends that the labels and bar code labels used by Yongjian are printed, some self-adhesive and some not. Yongjian contends that the Department's *Preliminary Determination* valuation of labels and bar code labels is excessive as compared with Yongjian's surrogate value derived from Indian import statistics for the four-digit HS 4821, which covers labels of paper or paperboard, printed or not. Yongjian states that the surrogate value of HS 4821 is in line with Since Hardware's ranged market economy purchase price for its manual labels. *See* Yongjian's Case Brief, at 20 and 21.

Department's Position: We disagree with Yongjian. Despite Yongjian's assertion in its Case Brief, there is nothing on the record of this investigation that demonstrates that Yongjian uses labels other than the paper labels (not printed), self-adhesive or not, that are classified under HS 4821.9000. In addition, in stating that the Department's surrogate value for labels and bar code labels are aberrant compared to Since Hardware's market economy purchase price of manual labels, we note that Yongjian made no effort to document that the two types of labels are similar or are classified under the same HS number. In fact, Since Hardware itself distinguishes between the two types of labels that it purchases, one type is valued with a market economy price (*i.e.*, manual labels), and the other type (*i.e.*, marking label) is valued using the same HS number used to value Yongjian's labels and bar code labels, HS 4821.9000. Therefore, for the final determination, the Department has continued to value Yongjian's labels and bar code labels using HS 4821.9000.

Comment 7: Whether the Department Should Accept Since Hardware's Market Economy Purchases That Were Not Verified by the Department

The petitioner argues that for the *Preliminary Determination* the Department erred by using market-economy purchase prices for cold-rolled steel coil and hot-rolled steel coil used by Since Hardware. *See* Petitioner's Case Brief, at 18–24. The petitioner states that it submitted pre-verification comments to the Department where it challenged the authenticity of certain market economy purchases because (1) the material input prices appeared to be inconsistent with regional commodity trends and (2) the HS codes submitted to Chinese customs do not represent the materials that Since Hardware claimed to have imported. These comments emphasized that all market economy transactions warranted close scrutiny by the Department during verification. The petitioner acknowledges that the Department verified market economy purchases made in December 2002, but notes that the Department did not verify transactions made in 2003. Therefore, the petitioner urges the Department to reject Since Hardware's 2003 purchase values of market economy materials as unverified and inherently unreliable. *See* Petitioner's Case Brief, at 18–24.

In rebuttal, Since Hardware states that the Department should not revise any of the market-economy input pricing data reported by Since Hardware in the *Preliminary Determination*. *See* Since Hardware's Rebuttal Brief, at 9–11. Since Hardware contends that it is the Department's practice to verify information contained in a company's responses on the basis of the sampling of submitted data. Since Hardware states that the Court of International Trade (CIT) concluded that the Department "has the discretion to choose which items it will verify, and so long as Commerce has not uncovered facts in the process of verification that point to an improper accounting * * *. Commerce is not compelled to search further." *See PMC Specialities Group, Inc.* v. *United States*, 20 C.I.T. 1130, 1134–35 (1996). Since Hardware states that because the Department verified Since Hardware's market-economy material purchases of cold-rolled steel coil and hot-rolled steel coil and noted no discrepancies, there was no evidence of improper accounting, or evasion, and there was no reason for the Department to search further. As such, Since Hardware urges the Department not to revise any of the market-economy input pricing data reported by Since Hardware for the final determination. *See* Since Hardware's Rebuttal Brief, at 9–11.

Department's Position: We agree with Since Hardware. When conducting verification, the Department is not required to test every single sale or purchase reported by the respondent during the course of an investigation. To do so would be an almost impossible task. Instead, the Department verifies samples of submitted data. The CIT has affirmed this approach, observing:

> Verification is like an audit, the purpose of which is to test information provided by a party for accuracy and completeness. Normally an audit entails selective examination rather than testing of an entire universe. Hence, evasion is a common possibility, but only when audits uncover facts indicating the actuality thereof are auditors compelled to search further * * * Commerce has the discretion in choosing which items it will verify, and so long as Commerce has not uncovered facts in the process of verification that point to an improper accounting * * * Commerce is not compelled to search further."

See PMC Specialities Group, Inc. v. *United States*, 20 CIT 1130, 1134–35 (1996). *See Certain Welded Carbon Steel Pipes and Tubes from Thailand*, 65 FR 60910 (October 13, 2000).

We note that the petitioner's pre-verification comments were extensive and voluminous. In the limited amount of time allotted to verification, the verifiers covered a vast portion of the petitioner's concerns while still completing a full and detailed verification following the procedures explained in the verification outline. At verification, we looked at a number of market economy purchases and found no discrepancies. For example, we examined cold-rolled steel and hot-rolled steel market economy purchases. Based upon the information gathered at verification, the Department has no reason to question Since Hardware's reported market economy purchases. The Department found no discrepancies in Since Hardware's methodology in reporting market economy prices for its market economy purchases. 19 CFR 351.307(b) and (d) provide for flexibility in conducting verifications by permitting the examination of a sample of expenses, adjustments, and other topics that we consider relevant to factual information submitted. This reflects the fact that verification is like a sampling exercise and is not intended to be an exhaustive examination of every topic. *See Certain Internal-Combustion Industrial Forklift Trucks from Japan; Final Results of Antidumping Duty Administrative Review*, 62 FR 5592, 5602 (February 6, 1997). In this case, the Department followed its verification procedures and thoroughly examined the market economy purchases of cold-rolled and hot-rolled steel coil for certain months and found no discrepancies.

However, we note that the petitioner's argument with respect to the market economy purchase price of cold-rolled steel coil is moot. For the final determination, we have continued to use a surrogate value for Since Hardware's cold-rolled steel coil input. *See* Comment 8. With respect to Since Hardware's market economy purchase price for hot-rolled steel coil, we do not think that the purchase price is aberrationally low. According to Since Hardware's March 31, 2004 public version of ranged prices for its hot-rolled steel coil purchases, Since Hardware's purchase price of hot-rolled steel coil is $0.32/kg. By comparing Since Hardware's publicly ranged price of $0.32/kg to the Department's surrogate value for hot-rolled steel coil of $.028/kg, the Department finds that Since Hardware's market economy purchase price is reasonable. Because Indian import statistics are based on the sum of all imports into India during the POI, we regard that figure as a reliable benchmark. Nowhere in this investigation has the petitioner suggested that the WTA data that the Department used in calculating the surrogate value for hot-rolled steel coil is aberrational. Therefore, for the final determination, we have continued to use Since Hardware's market economy price to value hot-rolled steel coil.

Comment 8: Whether the Department Should Use the Market Economy Price To Value Cold-Rolled Steel Inputs

Since Hardware urges the Department to use the actual market economy prices paid to a Hong Kong supplier to value Since Hardware's cold-rolled steel inputs. *See* Since Hardware's Case Brief, at 6–10. Citing section 351.408(c)(1) of the Department's regulations, Since Hardware states that "where a factor is purchased from a market economy supplier and paid for in a market economy currency, the Secretary normally will use the price paid to the market economy supplier" to value the factors of production. However, for the *Preliminary Determination,* Since Hardware alleges that the Department disregarded the actual prices paid by Since Hardware for Hong Kong purchases of cold-rolled steel. Instead, Since Hardware asserts that the Department indicated that it had "reason to believe or suspect that cold-rolled steel from the country in question {was} being dumped," and thus the Department "disregarded prices for cold-rolled steel from this country, and instead used the Indian surrogate value * * *." *See Preliminary Determination,* at 5131. *See* Since Hardware's Case Brief, at 6 and 7.

Since Hardware argues that while the cold-rolled steel it purchased might have been manufactured in a country subject to a PRC antidumping duty order, Since Hardware did not purchase the cold-rolled steel directly from that country. Instead, Since Hardware claims that it purchased the cold-rolled steel sheet directly from its Hong Kong reseller supplier, that, in turn, may have purchased the cold-rolled steel either directly or indirectly from a country subject to the PRC antidumping duty order. *See* Since Hardware's Case Brief, at 7 and 8.

Furthermore, Since Hardware notes that, in *CTVs from the PRC,* the Department considered whether to accept the prices for inputs purchased through Hong Kong trading companies that originated in a country with broadly available non-industry-specific export subsidies that might be distorted due to subsidies. In comparing *CTVs from the PRC* to the current investigation, Since Hardware explains that its cold-rolled steel supplier is located in Hong Kong. Since Hardware states that this trading company was not subject to any PRC government dumping investigation, and cannot be presumed to have benefitted from any input price distortion caused by dumping. Therefore, Since Hardware concludes that the Department has no reason to believe or suspect that the sales prices from this Hong Kong supplier to Since Hardware are distorted. Because there is no record evidence that Since Hardware's Hong Kong supplier of cold-rolled steel purchased the input at dumped prices, or that it "passed" any distortion on to Since Hardware, Since Hardware contends that there is no reason for the Department to deviate from its normal practice of using the prices paid to a market economy supplier to value Since Hardware's factors of production. As such, for the final determination, Since Hardware urges the Department to follow its practice in *CTVs from the PRC,* and not reject prices of goods purchased in Hong Kong based on the country of origin of the goods. *See* Since Hardware's Case Brief, at 9 and 10.

The petitioner argues that Since Hardware's purchases of cold-rolled steel produced in the market economy country should be valued using surrogate prices. The petitioner states that Since Hardware's suggestion in its Case Brief that it was not certain of the origin of the cold-rolled steel that it purchased is hardly the case. The petitioner notes that in Since Hardware's own questionnaire response, Since Hardware acknowledged that it purchased the steel from the market economy country subject to the PRC dumping case. In addition, the petitioner points out that the sales confirmations, which ultimately complete the contract of sale, clearly record the country of origin of certain cold-rolled steel and it is undisputed that cold-rolled steel from its market economy country is subject to a Chinese antidumping order.

The petitioner states that Since Hardware's argument that there is no evidence on the record to suggest that the prices paid by Since Hardware's Hong Kong supplier, or paid by Since Hardware to its Hong Kong supplier, for cold-rolled steel were distortive, ignores the body of authority squarely against its position. The petitioner argues that the existence of the PRC antidumping duty order alone provides the Department with a reason to believe or suspect that the input is being dumped and no formal investigation into costs or pricing is required. The petitioner states that it can in no way matter whether the dumped input is imported into the NME country directly from the country of origin or, indirectly, through a trading company in a third country: country of origin, not the country of exportation, determines whether a product is subject to an antidumping duty order.

Additionally, the petitioner disagrees with Since Hardware's argument that the Department should accept its market economy prices for cold-rolled steel because the Department chose to accept the prices for inputs purchased through Hong Kong trading companies that originated in a country with broadly available, potentially price-distorting non-industry-specific export subsidies. *See CTVs from the PRC.* The petitioner argues that *CTVs from the PRC* is directed specifically at subsidies (based on information regarding general availability), rather than at dumped inputs (based specifically on a Chinese antidumping duty order). The petitioner notes that the Department noted the difference between findings of dumping and countervailable subsidies and it stated that it will disregard market economy prices for imported inputs as dumped "when the importing country has an antidumping duty order in effect for the products in question." *See Final Determination of Sales at Less than Fair Value: Folding Metal Tables and Chairs from the People's Republic of China,* 67 FR 20090 (April 24, 2002) (*Folding Metal Tables and Chairs*). The petitioner points out that a subsidy finding may not necessarily be based on an action taken in the importing NME country, but could be based on a CVD order issued anywhere in the world, or even simply information tending to show the existence of generally available, non-industry specific export subsidies. *See Id; See also Automotive Replacement Glass Windshield from the People's Republic of China,* 67 FR 6482 (February 12, 2002). The petitioner argues that, in this case, the importing country, China, conducted an investigation and entered an antidumping order against the product and Since Hardware offers no evidence, nor does it even suggest that China would permit its trade remedies to be so easily circumvented by excluding products subject to a dumping order from dumping duties if they were shipped through a third country seller.

Finally, the petitioner states that, while the existence of the Chinese antidumping duty order is sufficient to presume dumping or distorted prices of products covered by that order, the record contains evidence of distorted and aberrational pricing of the cold-rolled steel purchased by Since Hardware. The petitioner claims that the prices reportedly paid by Since Hardware during the POI for cold-rolled steel from the market economy country are not comparable to the product imported into China or produced in China or other cold-rolled steel prices in the administrative record. The petitioner states that the record shows that the prices paid by Since Hardware are aberrational and unreliable and should not be considered by the Department. The petitioner argues that the Department should reject Since Hardware's alleged market economy prices for cold-rolled steel sheet from the market economy country, as it has done in the *Preliminary Determination,* and value this input based on surrogate prices from India.

Department's Position: We agree with the petitioner. In this case, Since Hardware reported that it purchased from a Hong Kong reseller cold-rolled steel that was produced in the market economy country (the name of the market economy country is business proprietary information). *See* Since Hardware's Section C and D questionnaire response at Exhibit 4, dated October 14, 2003. However, in contrast to *CTVs from the PRC,* the Department has generally available public information indicating that the PRC government has imposed an antidumping duty order on cold-rolled steel originating in Kazakhstan, the Republic of Korea, Ukraine, Russia, and Taiwan (PRC Antidumping Order). *See* Memorandum from Sam Zengotitabengoa, International Trade Compliance Analyst, to the File, "PRC AD Final Determination," dated January 26, 2003. The country and products covered by the PRC Antidumping Order correspond to the cold-rolled steel purchases made by Since Hardware during the POI. Thus, we know that Since Hardware purchased cold-rolled steel covered by a PRC Antidumping Order. The Department has said that when an importing country has an antidumping duty order in effect for the products in question, it will disregard the market economy prices for these imported inputs as dumped. *See Synthetic Indigo From the People's Republic of China: Final Results of Antidumping Duty Administrative Review,* 68 FR 53711 (September 12, 2003) and accompanying Decision Memorandum at Comments 4 and 8.

Regarding Since Hardware's argument that there is no evidence on the record to suggest that the prices it paid for cold-rolled steel were dumped or distorted, we find that no specific evidence is necessary. The Department only needs to have a reason to believe or suspect that this input is being dumped. *See Final Determination for the 1998–99 Administrative Review of Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China*, 66 FR 1953 (January 10, 2001), Issues and Decision Memorandum at Comment 1. In this case, the PRC Antidumping Order provides the Department with a reason to believe or suspect that cold-rolled steel produced in a covered market economy country may be dumped. Therefore, for the final determination, we have continued to use Indian import statistics to value Since Hardware's cold rolled steel coil input.

Comment 9: Whether the Department Should Consider Billing Adjustments in the Calculation of Since Hardware's U.S. Price

The petitioner argues that for the *Preliminary Determination* the Department erred by granting Since Hardware a billing adjustment for extra inland freight and origin receiving charges (ORCs) incurred on behalf of Since Hardware's customers and for which Since Hardware was reimbursed. *See* Petitioner's Case Brief, at 17 and 18. The petitioner emphasizes that Since Hardware distinguishes these costs from the "general inland freight and port handling charges for all sales of the subject merchandise." *See* Petitioner's Case Brief at 17. The petitioner states that because "these fixed charges are incurred at the request of the customer, are paid initially by Since Hardware but are reimbursed directly by the customer, and quite logically are not included in the price of the merchandise, there is no need for the Department to devise an adjustment to account for such "extra costs"—but there also is no need for the extra costs to be added, as billing adjustments, to the sales price (since they are not any part of such price)." *See* Petitioner's Case Brief, at 18. Instead, the petitioner believes that these extra charges should be appropriately treated as a separate item, not affecting the price of the subject merchandise. As such, for the final determination, the petitioner urges the Department not to consider these extra costs for purposes of a billing adjustment in the calculation of Since Hardware's export value. *See* Petitioner's Case Brief, at 17 and 18.

In rebuttal, Since Hardware states that the Department should not adjust the treatment of Since Hardware's claimed and verified billing adjustment as incorporated in the *Preliminary Determination*. *See* Since Hardware's Rebuttal Brief, at 7–9. In justifying the billing adjustment, Since Hardware claims that the price used to establish export price and constructed export price shall be "(1) increased by (A) when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the subject merchandise in condition packed ready for shipment to the United States." *See* section 772(c) of the Act. Since Hardware alleges that the Department has interpreted the "charges" as requiring that U.S. price be increased by the amount of any freight, packing, and handling revenue that is charged to the U.S. customer. *See, e.g., Ball Bearings (Other Than Tapered Roller Bearings) and Parts Thereof, From Germany: Preliminary Results of New Shipper Antidumping Duty Administrative Review*, 61 FR 4763, 4764 (February 8, 1996). *See, also, Certain Hot-Rolled Carbon Steel Flat Products from the Netherlands: Preliminary Results of Antidumping Duty Administrative Review*, 68 FR 68341, 68344 (December 8, 2003). *See, also, Wax and Wax/Resin Thermal Transfer Ribbons From the Republic of Korea*, 68 FR 71078, 71080 (December 22, 2003). In addition, Since Hardware claims that the Department noted that "where freight and movement charges are not included in the price, but are invoiced to the customer at the same time as the charge for the merchandise, the Department considers the transaction to be similar to a delivered price transaction since the seller may consider its return on both transactions in setting price." *See Stainless Steel Wire Rod from the Republic of Korea: Final Results of Antidumping Duty Administrative Review*, 69 FR 19153 (April 12, 2004) (*Stainless Steel Wire Rod*), at Issues and Decisions Memorandum, Comment 9. For this final determination Since Hardware urges the Department to add to the gross unit price Since Hardware's ORC revenue associated with each sale (reported in "BILLADJU"), and subtract from the gross unit price the brokerage and handling expense incurred by Since Hardware to ship the subject merchandise to the United States. *See* Since Hardware's Rebuttal Brief, at 7–9.

Department's Position: We agree with the petitioner. In the *Preliminary Determination*, the Department granted Since Hardware's billing adjustment by adding the billing adjustment to the U.S. gross unit price. At verification, the Department verified that Since Hardware did, indeed, charge certain U.S. customers for an expense incurred at the port called the ORC. This charge was reported as a billing adjustment. However, we disagree with Since Hardware's characterization of this expense as freight or handling revenue. The amount that Since Hardware charged the U.S. customer is merely a reimbursement for an expense Since Hardware incurred. In this case, the customer elects to bear this extra cost when it requests that Since Hardware ship merchandise out of certain ports where the ORC is assessed. Since Hardware initially pays for this expense on behalf of the customer and then charges the customer for the fixed amount as a separate line item on the invoice. It is not part of the negotiated price of the merchandise and there is no indication that it is part of the surrogate value for brokerage and handling.

Additionally, we note that Since Hardware's reliance on *Stainless Steel Wire Rod* is misplaced. In *Stainless Steel Wire Rod*, the delivery terms were part of the terms of sale and, hence, can be expected to have a direct impact on the negotiated sales price. However, in this case, Since Hardware clearly indicated that the ORC charges are "extra costs borne by Since Hardware's customers" and, as extra costs, are not a part of the delivery terms and should have no impact on the negotiated sales price. Therefore, for the Final Determination, we have not included the billing adjustment in the calculation of export price.

Comment 10: Whether the Department Selected the Proper Data Source for its Calculation of Surrogate Overhead, SG&A, and Profit Ratios

The petitioner contends that the administrative record does not contain information from a producer of merchandise identical or comparable to the producer of the subject merchandise. As such, the petitioner urges the Department to calculate the surrogate ratios for factory overhead, selling, general, and administrative (SG&A) expenses, and profit (collectively financial ratios) by using data published in the Reserve Bank of India Bulletin (RBI Bulletin). Specifically, the petitioner urges the Department to use the data for 997 companies, as published in the April 2004 RBI Bulletin, because these are the most contemporaneous data of companies that have a paid-up capital that are similar to the capitalization of the respondents. *See* HPI's Case Brief, at 2–11.

Since Hardware contends that in the *Preliminary Determination*, the Department erred in using the data for 2,024 companies, as published in the October 2003 RBI Bulletin, to calculate the financial ratios. Since Hardware asserts that the Department will normally use non-proprietary information gathered from producers of identical or comparable merchandise in the surrogate country to calculate financial ratios. *See* 19 CFR 351.408(c)(4). Since Hardware alleges that the Department has a preference for using data from individual producers of identical or comparable merchandise rather than data having a more generalized industry-wide basis. *See Notice of Final Determination of Sales at Less Than Fair Value: Non-Malleable Cast Iron Pipe Fittings from the People's Republic of China*, 68 FR 7765 (February 18, 2003), Issues and Decision Memorandum, at Comment 4. Moreover, Since Hardware suggests that the Department rely on Import Administration's Policy Bulletin 04.1, "Non-Market Economy Surrogate Country Selection Process" (Surrogate Country Selection Policy Bulletin), dated March 1, 2004, as a guide to determine what is identical or comparable merchandise.

Since Hardware states that Godrej & Boyce Manufacturing Co., Ltd. (Godrej) is a company that produces metal-fabricated cabinets, shelves, and wardrobes. Since Hardware contends that Godrej produces products that are comparable to the subject merchandise because: (1) They have similar physical characteristics, and use the same material inputs (*e.g.* steel/cold-rolled steel); (2) the production processes for ironing tables and the metal-fabricated shelving and cabinets are similar in that both involve relatively simple metal-fabrication and assembly production processes; and (3) in terms of end uses, ironing tables are comparable to the metal-fabricated shelving

and cabinets in that both are finished consumer goods. Since Hardware contends that data published in the RBI Bulletin are based on a broad spectrum of Indian manufacturers, agricultural companies, and service providers. Moreover, Since Hardware claims that the Department has rejected RBI data when data from a producer of comparable merchandise were available. *See, e.g., Lawn and Garden Fence Posts from the People's Republic of China*, 67 FR 72141 (December 4, 2002); *Glycine from the People's Republic of China: Final Results of New Shipper Administrative Review*, 66 FR 8383 (January 31, 2001) (*Glycine*), 66 FR 8383 (January 31, 2001); and *Final Results and Partial Rescission of Antidumping Duty Administrative Review: Certain Cased Pencils from the People's Republic of China*, 67 FR 48,612 (July 25, 2002) (*Cased Pencils*), and accompanying Issues and Decision Memorandum, at Comment 5. In addition, Since Hardware alleges that the CIT has acknowledged that the RBI data are not an appropriate surrogate value source because of their generalized nature. *See Shanghai Foreign Trade Enterprises Co., Ltd. and Shanghai Pudong Malleable Iron Plant, v. the United States and Anvil International, Inc. and Ward Manufacturing, Inc.*, No. 03–00218, Slip Op. 04–33 (CIT April 9, 2004) (*Non-Malleable Remand*); and *Yantai Oriental Juice Co. v. United States*, Slip Op. 02–56, at 27 (CIT June 18, 2002) (*Yantai Oriental*). Lastly, since the Department previously accepted Godrej financial data to calculate surrogate financial ratios in *Folding Chairs*, Since Hardware urges the Department to also accept the Godrej financial data in this investigation given the nearly identical physical characteristics shared by folding metal tables and chairs and ironing boards. As such, Since Hardware contends that the data published in the RBI Bulletin cannot be more appropriate than the Godrej data for purposes of calculating the financial ratios. As such, Since Hardware urges the Department to use the financial data from Godrej. *See* Since Hardware's Case Brief, at 10–15; *See* Since Hardware's Rebuttal Brief, at 1–4.

Yongjian contends that the valuation of financial ratios needs to be based on the experience of market economy producers of "identical or comparable merchandise." *See* Section 351.408(c)(4) of the Department's regulations. Yongjian asserts that to determine whether merchandise is identical or comparable to the subject merchandise, the Department should consider "whether the products have similar physical characteristics, end uses, and production processes. When evaluating production processes, the Department [should consider] the complexity and duration of the processes and types of equipment used in production." *See Cased Pencils*, Issues and Decision Memorandum, at Comment 5. Yongjian asserts that in *Glycine* the Department states that it is its "practice to use financial data that are more narrowly limited to a producer of comparable merchandise than data based on a wider range of products when the former data are available. In addition, Yongjian claims that in the *Notice of Final Determination of Sales at Less Than Fair Value: Bulk Aspirin from the People's Republic of China*, 65 FR 33805 (May 25, 2000) (*Bulk Aspirin*), Issues and Decision Memorandum, at Comment 4, the Department states that "because we seek information that pertains as narrowly as possible to the subject merchandise, the Department, in most cases, has used the producer-specific data since industry-specific data available to the Department tends to be broad in terms of the merchandise included. This, however, does not mean that we would always prefer the producer-specific data, if we were presented with industry and producer data that were equally specific in terms of the merchandise produced." *Id.*

Yongjian alleges that Godrej's fabricated metal merchandise and the subject merchandise are two slightly different classes of fabricated metal products that are comparable to one another because they are: (1) Made of steel sheet, flat steel products, metal fasteners and the like, probably steel pipe/tube (as garment hanging rods in wardrobes), various plastic and rubber components, and oven baked luster enamel coatings; and (2) joined together with the same general production process (*i.e.*, welding and assembly of moving parts). Yongjian asserts that the data published in the RBI Bulletin are insignificantly impacted by the fabricated metal products companies. In addition, Yongjian points out that the gross profits and profits after tax in 2002–2003 were negative for the fabricated metal products industry. As such, Yongjian contends that, because the data published in the RBI Bulletin are too generic to withstand serious scrutiny in view of the Department's stated policy, its specific regulation, and recent and consistent pronouncements of the CIT, the Department should use the financial data from Godrej, that allegedly operates in the same fabricated metals industry as ironing table producers, to calculate the surrogate financial ratios. *See* Yongjian's Case Brief, at 25–32; Yongjian's Rebuttal Brief, at 2 and 3.

Yongjian summarizes that in the *Notice of Final Determination of Sales at Less Than Fair Value: Creatine Monohydrate from the People's Republic of China*, 64 FR 71,204 (December 20, 1999) (*Creatine Monohydrate*), Issues and Decision Memorandum, at Comment 1, the Department "eschewed" the use of data published in the RBI where information relating to a narrower category of comparable products was available. As prior examples of how the Department analyzed comparability, Yongjian points to the following notices: *Notice of Final Determination of Sales at Less Than Fair Value: Urea Ammonium Nitrate Solutions from the Russian Federation*, 68 FR 9977 (March 3, 2003) (*Urea Ammonium Nitrate Solutions*), Issues and Decision Memorandum, at Comment 6, where the Department considered ammonium nitrate and urea to be comparable to the urea ammonium nitrate solutions under investigation; *Cased Pencils*, Issues and Decision Memorandum, at Comment 5, where the Department considered wooden cabinets, doors, and handicrafts to be comparable to the cased pencils under review. In *Cased Pencils*, Yongjian cites that the Department "did not have industry sector-specific RBI data for an industry more comparable to pencil production." *Id.*; *Glycine*, Issues and Decision Memorandum, at Issue f, where the Department considered phenylglycine to be comparable to the glycine under investigation, because the products appeared to have similar raw materials, similar production equipment, and similar production processes; *Notice of Final Determination of Sales at Not Less Than Fair Value: Pure Magnesium in Granular Form from the Russian Federation*, 66 FR 49,347 (September 27, 2001) (*Pure Magnesium*), Issues and Decision Memorandum, at Comment 1, where the Department determined zinc to be comparable to the pure magnesium under investigation. *See* Yongjian's Case Brief, at 25 and 27; *Synthetic Indigo from the People's Republic of China: Notice of Final Determination of Sales at Less Than Fair Value*, 65 FR 25,706 (May 3, 2000) (*Synthetic Indigo*), Issues and Decision Memorandum, at Comment 6, where Yongjian first states that the Department considered general chemical and hydrogen peroxide not to be comparable to the synthetic indigo under investigation (*See* Yongjian's Case Brief, at 26, footnote 44) but then states that the Department found that phenylglycine and synthetic indigo used some of the same raw materials and had similar production processes (*See* Yongjian's Case Brief, at 28). *See* Yongjian's Case Brief, at 25 and 27–28.

In rebuttal, the petitioner explains that Godrej is a conglomerate of companies that does not produce merchandise that is identical or comparable to the subject merchandise. Instead, the petitioner argues that Godrej's data are based upon so diverse a product mix that they cannot reflect data from a producer of ironing tables. The petitioner also contends that the Godrej financials are not as contemporaneous as the data published in the RBI Bulletin. Furthermore, the petitioner argues that Godrej's 2003 financial data is aberrational and distortive because of Godrej's changes in structure and operations, as well as changes in accounting methods that affect the surrogate financial ratios. Lastly, the petitioner contends that Godrej's 2002–2003 performance represents an extreme divergence from the preceding year and is an outlier with respect to all of the Godrej data on this record. Moreover, the petitioner argues that the data published in the RBI Bulletin represent a year-to-year reliably stable source for surrogate financial ratios. Comparatively, the petitioner argues, Godrej's aggregate ratios vary widely, with year-to-year performances exceeding 10 percentage points between single years which can hardly be viewed as reliable. As such, the petitioner claims that the Department turned to data published in the RBI Bulletin well within its authority.

In its rebuttal, Since Hardware argues that the Department's regulations and practice do not recognize the level of capitalization as a determinant for selecting appropriate surrogate value information. *See Bulk Aspirin*, Issues and Decision Memorandum, at Comment 4, (where the Department states that "[r]egarding the petitioner's arguments

about capacity, we do not believe that size or capacity of the surrogate producer always poses a necessary consideration. In this case, unlike *Sigma* v. *United States*, 117 F. 3d 1401, 1414 (Fed. Cir. July 7, 1997) (*Sigma*), we have no evidence demonstrating that overhead rates vary directly with the scale or capacity of Indian aspirin (or other chemical) producers."). *See* Since Hardware's Rebuttal Brief, at 1–3.

Department's Position: We agree with the respondents. The Department's regulations directs the Department to "normally * * * use non-proprietary information gathered from producers of identical or comparable merchandise in the surrogate country." *See* 19 CFR 351.408(c)(4). To determine whether merchandise is identical or comparable to the subject merchandise, the Department compares physical characteristics, end uses, and production processes between the merchandise produced by a company and the subject merchandise. *See Cased Pencils*, Issues and Decision Memorandum, at Comment 5. If the record contains reliable and contemporaneous data from a company that produces merchandise that is identical or comparable to the subject merchandise, then the Department will use that company's financial data to calculate the surrogate financial ratios.

In this instance, Godrej's 2002–2003 Annual Report indicates that Godrej manufactures a variety of products, a significant portion of which is steel furniture. *See* Information from Keir A. Whitson, to the Honorable Donald L. Evans, Secretary of Commerce, "Publicly Available Information," dated March 29, 2004, at exhibit 2 "Godrej's Annual Report & Accounts for the Year Ended 31st March, 2003." We find that steel furniture is more comparable to ironing boards than the broad industry groupings provided in the RBI Bulletin, which reflect an unknown, but likely substantially smaller, portion of comparable merchandise. The Department uses broader industry averages as published in the RBI Bulletin when no usable financial data from producers of comparable merchandise are available. In this case, the Department does not need to rely upon surrogate information derived from broader industry groupings (*i.e.* data published in the RBI Bulletin) to calculate surrogate financial ratios. Instead, in accordance with section 351.408(c)(4) of the Department's regulations, we find that Godrej's 2002–2003 Annual Report provides non-proprietary information gathered from a producer of comparable merchandise in the surrogate country that is suitable for purposes of calculating surrogate financial ratios.

In response to the petitioner's argument that Godrej's financial data is aberrational and distortive, we disagree. Godrej's 2002–2003 Annual Report states that Godrej acquired two companies and accounted for them in accordance with "auditing standards generally accepted in India * * * and relevant requirements under the Companies Act of 1956." *See* Godrej's 2002–2003 Annual Report, at 12 and 29. Notwithstanding Godrej's acquisitions, the 2002–2003 Annual Report states that steel furniture sales increased significantly from the previous year, and that steel furniture sales remain at the top of Godrej's product mix. Therefore, although we recognize that Godrej did undergo a change in corporate structure, we find that the change did not substantially impact the production or sales of steel furniture.

Because data published in the RBI Bulletin represents the average experience of companies from broad industry groupings, we find that Godrej's financial statements offer more product-specific financial information than RBI data. Although Grodrej manufactures other products besides steel furniture, we are able to discern that a significant portion of its production is devoted to steel furniture. In contrast, we are unable to find whether or not comparable merchandise represents a significant portion of the data published in the RBI Bulletin.

Therefore, for the reasons mentioned above, and consistent with prior practice, the Department is relying on Godrej's 2002–2003 financial information to calculate surrogate financial ratios.

Comment 11: Corrections to Yongjian's Database Presented at Verification

Yongjian noted that at verification it presented the Department with a revised factors of production chart containing corrections and clarifications for cold-rolled steel, hot-rolled steel, steel wire, and powder coating. Yongjian states that these corrected materials should be used in the calculation of Yongjian's normal value. *See* Yongjian's Case Brief, at 6 and 7.

The petitioner did not comment on this issue.

Department's Position: On the first day of verification, Yongjian provided the Department with a list of minor corrections. During the course of verification, we reviewed these corrections and verified that they were accurately submitted. *See* Yongjian's FOP Verification Exhibits, Exhibit 1. Therefore, we have included Yongjian's corrections in the final determination.

Recommendation: Based on our analysis of the comments received, we recommend adopting all of the above positions and adjusting all related margin calculations accordingly. If these recommendations are accepted, we will publish the final determination in this investigation and the final weighted-average dumping margins in the **Federal Register**.

Agree _____

Disagree _____

Dated: June 15, 2004.

James Jochum,

Assistant Secretary for Import Administration.

[FR Doc. 04–14360 Filed 6–23–04; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–890]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Wooden Bedroom Furniture From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: June 24, 2004.

FOR FURTHER INFORMATION CONTACT: Catherine Bertrand or Robert Bolling, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–3207, or 482–3434, respectively.

Preliminary Determination

We preliminarily determine that wooden bedroom furniture from the People's Republic of China ("PRC") is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733 of the Tariff Act of 1930, as amended ("the Act"). The estimated margins of sales at LTFV are shown in the "Suspension of Liquidation" section of this notice.

Interested parties are invited to comment on this preliminary determination. We will make our final determination not later than 135 days after the date of publication of this preliminary determination.

Case History

On October 31, 2003, the Department of Commerce ("Department") received a petition for the Imposition of Antidumping Duties: Wooden Bedroom Furniture from the People's Republic of China ("Petition"), filed in proper form by the American Furniture Manufacturers Committee for Legal Trade and its individual members and the Cabinet Makers, Millmen, and Industrial Carpenters Local 721, UBC Southern Council of Industrial Worker's Local Union 2305, United Steel Workers of American Local 193U, Carpenters Industrial Union Local 2093, and Teamsters, Chauffeurs, Warehousemen and Helper Local 991 (collectively "Petitioners") on behalf of the domestic industry and workers producing wooden bedroom furniture. This investigation was initiated on December 17, 2003. *See Notice of Initiation of Antidumping Duty Investigation: Wooden Bedroom Furniture from the People's Republic of China*, 68 FR 70228 (December 17, 2003) ("*Notice of*

APPENDIX B

HEARING WITNESSES

CALENDAR OF PUBLIC HEARING

Those listed below appeared as witnesses at the United States International Trade Commission's hearing:

Subject: Ironing Tables and Certain Parts Thereof from China

Inv. No.: 731-TA-1047 (Final)

Date and Time: June 16, 2004 - 9:30 a.m.

Sessions were held in connection with this investigation in the Main Hearing Room (room 101), 500 E Street, SW, Washington, D.C.

OPENING REMARKS:

Petitioner (**Frederick L. Ikenson**, Blank Rome LLP)
Respondents (**William E. Perry**, Garvey Schubert Barer)

In Support of the Imposition of Antidumping Duties:

SESSION 1 (Open to the public):

Blank Rome LLP
Washington, D.C.
on behalf of

Home Products International, Inc.

Charles F. Avery, Jr., Senior Vice President, Finance,
Home Products International, Inc.

Peter Graves, Vice President, Sales,
Home Products International, Inc.

In Support of the Imposition of Antidumping Duties:

Joe Deppen, Vice President, Manufacturing, Metal Technology, Home Products International, Inc.

Michael D. Bradley, Professor of Economics, The George Washington University

Frederick L. Ikenson)
) – OF COUNSEL
Roberta Kienast Daghir)

In Opposition to the Imposition of Antidumping Duties:

SESSION 2 (Open to the public):

Garvey Schubert Barer
Washington, D.C.
on behalf of

Whitney Design, Inc.
Polder, Inc.
Harvest International Housewares, Ltd.

James Glenn, President, Whitney Design, Inc.

Mark Brown, Vice President, Finance, Whitney Design, Inc.

Calvin Scott, President, Polder, Inc.

Ron Ho, Managing Director, Harvest International Housewares, Ltd.

Richard D. Boltuck, Vice President, Charles River Associates, Inc.

William E. Perry)
) – OF COUNSEL
J. Patrick Briscoe)

SESSION 3 (Closed to the public; open to APO signatories only):

Respondents' *in camera* session

SESSION 4 (Closed to the public; open to APO signatories only):

Petitioner's rebuttal *in camera* session

REBUTTAL/CLOSING REMARKS

Petitioners (**Michael D. Bradley**, The George Washington University)
Respondents (**Richard D. Boltuck**, Charles River Associates)

APPENDIX C

SUMMARY DATA

Table C-1
Ironing tables: Summary data concerning the U.S. market, 2001-03, January-March 2003, and January-March 2004

(Quantity=1,000 units, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per unit; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					Jan.-Mar.
Item	2001	2002	2003	2003	2004	2001-03	2001-2002	2002-2003	2003-2004
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of:									
Subject imports from China:									
Quantity	456	1,252	2,538	573	370	456.0	174.3	102.7	-35.4
Value	5,726	11,350	21,323	4,808	4,508	272.4	98.2	87.9	-6.2
Unit value	$12.55	$9.07	$8.40	$8.40	$12.20	-33.0	-27.7	-7.3	45.2
Ending inventory quantity	155	397	344	309	252	121.8	155.8	-13.3	-18.6
Nonsubject imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Total imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (units/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.

Note.--Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

Table C-2
Ironing tables + over-the-door ironing boards: Summary data concerning the U.S. market, 2001-03, January-March 2003, and January-March 2004

(Quantity=1,000 units, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per unit; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					Jan.-Mar.
Item	2001	2002	2003	2003	2004	2001-03	2001-2002	2002-2003	2003-2004
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of:									
Subject imports from China:									
Quantity	456	1,252	2,538	573	370	456.0	174.3	102.7	-35.4
Value	5,726	11,350	21,323	4,808	4,508	272.4	98.2	87.9	-6.2
Unit value	$12.55	$9.07	$8.40	$8.40	$12.20	-33.0	-27.7	-7.3	45.2
Ending inventory quantity	155	397	344	309	252	121.8	155.8	-13.3	-18.6
Nonsubject imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Total imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (units/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.

Note.–Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

Table C-3
Ironing tables + wall-mounted ironing boards: Summary data concerning the U.S. market, 2001-03, January-March 2003, and January-March 2004

(Quantity=1,000 units, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per unit; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					Jan.-Mar.
Item	2001	2002	2003	2003	2004	2001-03	2001-2002	2002-2003	2003-2004
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of:									
Subject imports from China:									
Quantity	456	1,252	2,538	573	370	456.0	174.3	102.7	-35.4
Value	5,726	11,350	21,323	4,808	4,508	272.4	98.2	87.9	-6.2
Unit value	$12.55	$9.07	$8.40	$8.40	$12.20	-33.0	-27.7	-7.3	45.2
Ending inventory quantity	155	397	344	309	252	121.8	155.8	-13.3	-18.6
Nonsubject imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Total imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (units/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.
(2) Not applicable.

Note.–Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

Table C-4

Ironing tables + countertop/tabletop ironing boards: Summary data concerning the U.S. market, 2001-03, January-March 2003, and January-March 2004

(Quantity=1,000 units, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per unit; period changes=percent, except where noted)

	Reported data					Period changes			
				January-March					
Item	2001	2002	2003	2003	2004	2001-03	2001-2002	2002-2003	Jan.-Mar. 2003-2004
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of:									
Subject imports from China:									
Quantity	456	1,252	2,538	573	370	456.0	174.3	102.7	-35.4
Value	5,726	11,350	21,323	4,808	4,508	272.4	98.2	87.9	-6.2
Unit value	$12.55	$9.07	$8.40	$8.40	$12.20	-33.0	-27.7	-7.3	45.2
Ending inventory quantity	155	397	344	309	252	121.8	155.8	-13.3	-18.6
Nonsubject imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Total imports:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (units/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.

Note.–Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

Table C-5

Ironing tables + over-the-door/wall mounted + countertop/tabletop: Summary data concerning the U.S. market, 2001-03, January-March 2003, and January-March 2004

(Quantity=1,000 units, value=1,000 dollars, unit values, unit labor costs, and unit expenses are per unit; period changes=percent, except where noted)

Item	Reported data					Period changes			
				January-March					Jan.-Mar.
	2001	2002	2003	2003	2004	2001-03	2001-2002	2002-2003	2003-2004
U.S. consumption quantity:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. consumption value:									
Amount	***	***	***	***	***	***	***	***	***
Producers' share (1)	***	***	***	***	***	***	***	***	***
Importers' share (1):									
China (subject)	***	***	***	***	***	***	***	***	***
Nonsubject	***	***	***	***	***	***	***	***	***
Total imports	***	***	***	***	***	***	***	***	***
U.S. shipments of:									
Subject imports from China:									
Quantity	456	1,252	2,538	573	370	456.0	174.3	102.7	-35.4
Value	5,726	11,350	21,323	4,808	4,508	272.4	98.2	87.9	-6.2
Unit value	$12.55	$9.07	$8.40	$8.40	$12.20	-33.0	-27.7	-7.3	45.2
Ending inventory quantity	155	397	344	309	252	121.8	155.8	-13.3	-18.6
Nonsubject imports:									
Quantity	198	620	845	81	263	328.1	214.0	36.3	223.3
Value	1,332	3,081	3,500	259	2,081	162.8	131.3	13.6	703.8
Unit value	$6.74	$4.97	$4.14	$3.18	$7.90	-38.6	-26.3	-16.7	148.6
Ending inventory quantity	40	132	150	119	195	276.5	232.2	13.3	64.1
Total imports:									
Quantity	654	1,872	3,383	654	633	417.4	186.3	80.7	-3.2
Value	7,058	14,431	24,822	5,067	6,589	251.7	104.5	72.0	30.0
Unit value	$10.79	$7.71	$7.34	$7.75	$10.41	-32.0	-28.6	-4.8	34.4
Ending inventory quantity	195	529	494	428	447	153.4	171.4	-6.6	4.4
U.S. producers':									
Average capacity quantity	***	***	***	***	***	***	***	***	***
Production quantity	***	***	***	***	***	***	***	***	***
Capacity utilization (1)	***	***	***	***	***	***	***	***	***
U.S. shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Export shipments:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Ending inventory quantity	***	***	***	***	***	***	***	***	***
Inventories/total shipments (1)	***	***	***	***	***	***	***	***	***
Production workers	***	***	***	***	***	***	***	***	***
Hours worked (1,000s)	***	***	***	***	***	***	***	***	***
Wages paid ($1,000s)	***	***	***	***	***	***	***	***	***
Hourly wages	***	***	***	***	***	***	***	***	***
Productivity (units/hour)	***	***	***	***	***	***	***	***	***
Unit labor costs	***	***	***	***	***	***	***	***	***
Net sales:									
Quantity	***	***	***	***	***	***	***	***	***
Value	***	***	***	***	***	***	***	***	***
Unit value	***	***	***	***	***	***	***	***	***
Cost of goods sold (COGS)	***	***	***	***	***	***	***	***	***
Gross profit or (loss)	***	***	***	***	***	***	***	***	***
SG&A expenses	***	***	***	***	***	***	***	***	***
Operating income or (loss)	***	***	***	***	***	***	***	***	***
Capital expenditures	***	***	***	***	***	***	***	***	***
Unit COGS	***	***	***	***	***	***	***	***	***
Unit SG&A expenses	***	***	***	***	***	***	***	***	***
Unit operating income or (loss)	***	***	***	***	***	***	***	***	***
COGS/sales (1)	***	***	***	***	***	***	***	***	***
Operating income or (loss)/ sales (1)	***	***	***	***	***	***	***	***	***

(1) "Reported data" are in percent and "period changes" are in percentage points.

Note.–Financial data are reported on a fiscal year basis and may not necessarily be comparable to data reported on a calendar year basis. Because of rounding, figures may not add to the totals shown. Unit values and shares are calculated from the unrounded figures.

Source: Compiled from data submitted in response to Commission questionnaires.

APPENDIX D

COMPANY-SPECIFIC PRICE DATA AS REPORTED BY U.S. PRODUCERS AND IMPORTERS

Table D-1
Ironing tables: Weighted-average f.o.b. selling prices and quantities (all sales) as reported by U.S. producers of product 1, by quarters and by producers, January 2001-March 2004

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Table D-2
Ironing tables: Weighted-average f.o.b. selling prices and quantities (all sales) as reported by U.S. producers of product 2, by quarters and by firms, January 2001-March 2004

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Table D-3
Ironing tables: Weighted-average f.o.b. selling prices and quantities (all sales) as reported by U.S. importers of product 2, by quarters and by firms, January 2001-March 2004

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Table D-3--*Continued*
Ironing tables: Weighted-average f.o.b. selling prices and quantities (all sales) as reported by U.S. importers of product 2, by quarters and by firms, January 2001-March 2004

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APPENDIX E

PURCHASE PRICE DATA AS REPORTED BY KMART, TARGET, AND WAL-MART

Table E-1
Ironing tables: Delivered purchase prices and quantities as reported by Kmart, Target, and Wal-Mart, by quarters, January 2001-March 2004

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Table E-2
Ironing tables: Delivered purchase prices and quantities as reported by Kmart, Target, and Wal-Mart, by quarters, January 2001-March 2004

* * * * * * *

Table E-3
Ironing tables: Delivered purchase prices and quantities as reported by Kmart, Target, and Wal-Mart, by quarters, January 2001-March 2004

* * * * * * *

APPENDIX F

EFFECTS OF IMPORTS ON U.S. PRODUCERS' EXISTING DEVELOPMENT AND PRODUCTION EFFORTS, GROWTH, INVESTMENT, AND ABILITY TO RAISE CAPITAL

The Commission requested U.S. producers to describe any actual or anticipated negative effects of imports of subject ironing tables and certain parts thereof from China on their return on investment or their growth, investment, ability to raise capital, and existing development and production efforts (including efforts to develop a derivative or more advanced version of the product), or their scale of capital investments undertaken as a result of such imports. The responses are as follows:

Actual Negative Effects

HPI "***."

Whitney Design "***."

Anticipated Negative Effects

HPI "***."

Whitney Design "***."